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Japan

Spokesman on U.S.-Philippine Bases Issue

OW0310082491 Tokyo KYODO in English 0812 GMT 3 Oct 91

[Text] Tokyo, Oct. 3 KYODO—Japan declined to comment Thursday on a Philippine plan to send home U.S. forces stationed there within three years, saying it is a bilateral matter.

Asked how the move might affect security in the Asia-Pacific, Chief Cabinet Secretary Misoji Sakamoto said it is too early to comment as talks between Washington and Manila are continuing.

"We are watching the situation carefully," he said.

Philippine President Corazon Aquino said Wednesday her government would ask the United States to withdraw from Subic Bay Naval Station in three years.

She said her decision was supported by at least 15 of the 23 senators, a majority of whom voted against a new treaty last month that would have allowed the U.S. bases to operate until 2001.

The plan requires majority consent. Sakamoto also declined to respond to comment on possible discussions with the United States on transferring operations to Japan.

A Japanese defense official has indicated that some facilities may be moved to Yokosuka, south of Tokyo, home to the U.S. aircraft Carrier Independence.

Driftnet Users Claim U.S. Ban Unwarranted

OW0310114291 Tokyo KYODO in English 1128 GMT 3 Oct 91

[Text] Tokyo, Oct. 3 KYODO—The Japanese fishing industry cannot accept a U.S. Congress call to completely ban drift-net fishing, representatives of the Japanese drift-net fishing industry said Thursday.

Tohru Morikawa, senior executive managing director of the Japan Fisheries Association, told a press conference at the Foreign Correspondents Club of Japan that a call by the U.S. Congress for a moratorium on drift-net fishing effective June 1992 is premature and unjustified.

A Japan fisheries association statement read by Morikawa at the press conference said the U.S. decision, conveyed by the Department of State to the United Nations Secretary General Javier Perez De Cuellar on August 26, ignores the details of a report issued at an international conference to review the drift-net issue in Sydney, Canada in June.

The statement said the conference report did not consider drift-netting a destructive fishing method and did not conclude that it should be prohibited. Representatives of the U.S., Canada and Japan participated in the conference.

A U.N. General Assembly resolution calls for a moratorium on the use of large-scale high seas drift nets from June 30, 1992, unless effective conservation aaanagement measures can be taken.

But the association statement said the U.S. Congress is "attempting to force its decision to impose trade sanctions on nations which practice drift-net fishing."

"We see absolutely no reason for this fishing method to be prohibited, and consider calls to this end to be based solely on emotion," the statement said.

Morikawa said the U.S. call to ban drift-netting lacks scientific rationale. He said Japan is still cooperating with the U.S. and Canada to collect data on the method, using observers from Canada, Japan and the U.S. on 62 vessels catching squid and 24 vessels catching albacore.

The president of the Japan Squid Driftnet Fishery Association, Koji Imura, told the press conference drift-net fishing "has been vastly misrepresented."

"There is a popular notion that drift nets are 'walls of death'," Imura said.

"People seem to believe they are 30-40 kilometers long, but actually drift nets are each three to four kilometers in length and set in the water with intervals between them."

Imura said the industry feels "powerless" because it lacks lobbying power in international forums.

"We are starting from scratch to have the public understand what we are doing," he said.

Imura said that if driftnet fishing is banned in 1992, "slightly less than 400 vessels and 10,000 people" in the squid and albacore fishing industry would be affected.

He estimated the industry's annual income at 40 billion yen.

Okinawa Mayor Files Appeal for Port Return

OW0310020691 Tokyo KYODO in English 2354 GMT 2 Oct 91

[Text] Washington, Oct. 2 KYODO—The mayor of Naha urged the United States on Wednesday to return a U.S. military port complex in the capital of Okinawa so it can be commercially developed, Japanese officials said.

Mayor Kosei Oyadomari made the appeal in a letter to Secretary of State James Baker, saying the military harbor area "constitutes an integral part of the city."

Deputy Assistant Secretary of State L. Desaix Anderson, who met Oyadomari at the State Deparment, promised to look into the request and discuss with the Japanese Government, an Oyadomari aide said.

Okinawa, known as the "keystone" of the U.S. military presence in East Asia, is home to 75 percent of the U.S. military facilities in Japan.

Naha City officials said a consultative committee formed under the Japan-U.S. Security Treaty had agreed in principle in 1974 to return the military harbor area for use by the local community.

Oyadomari is to file a similar plea with Secretary of Defense Dick Cheney on Thursday.

Nakayama To Attend Paris Talks on Cambodia

OW0310121091 Tokyo KYODO in English 1148 GMT 3 Oct 91

[Text] Tokyo, Oct. 3 KYODO—Japanese Foreign Minister Taro Nakayama will attend a ministerial meeting of the international Cambodian peace conference which opens in Paris on October 23, a high-ranking ministry official said Thursday.

At the meeting, Cambodia's four factions will sign a peace accord to end the 13-year-old civil war in the country.

Nakayama will leave for Paris after returning home from a two-day visit to the Soviet Union, the official said.

Foreign Ministry Calls for Further Soviet Reform

OW0210183991 Tokyo KYODO in English 1231 GMT 2 Oct 91

[Text] Tokyo, Oct. 2 KYODO—Further political, economic and diplomatic reforms by the Soviet Union are prerequisites for solving the territorial dispute between Moscow and Tokyo and for normalizing relations between the two countries, a senior Foreign Ministry official said Wednesday,

Vice Foreign Minister Hisashi Owada said in a lecture in Tokyo that the Soviet Union should promote a market-oriented economy, a free, democratic political system and "new thinking" in diplomacy to open the way for normalization of ties and resolution to the territorial issue.

Since he took office in 1985, President Mikhail Gorbachev has brought new thinking into Soviet diplomacy to try to improve ties with Japan, the United States and Western European countries.

When he visited Japan last April, Gorbachev admitted the existence of the territorial issue over four Soviet-held islands—Shikotan, Kunashiri, Etorofu and the Habomais. Japan claims the Soviet Union has been occupying them illegally since the closing days of World War II.

On the creation of a new international order, Owada said Japan will have to perform "services and sacrifices" such as contribution to United Nations peacekeeping operations.

He also said Japan should play a more positive role in building closer ties among Asian and Pacific countries and increasing political dialogue in the region.

Owada cited as one such contribution a proposal by Foreign Minister Taro Nakayama to set up high-level consultations among Asian and Pacific countries, when he attended a foreign ministerial conference in Kuala Lumpur last July.

The conference was attended by the six members of the Association of Southeast Asian Nations (ASEAN), the United States, Japan, Canada, the European Community, Australia, New Zealand and South Korea.

Dates Set for Nuclear Power Talks With USSR

OW0310101891 Tokyo KYODO in English 1010 GMT 3 Oct 91

[Text] Tokyo, Oct. 3 KYODO—Japan and the Soviet Union will hold their first meeting on nuclear power in Moscow on October 28-29, six months after a bilateral agreement during Soviet President Mikhail Gorbachev's trip to Tokyo, Japanese Foreign Ministry sources said Thursday.

The agreement calls for Japanese-Soviet cooperation in the field of nuclear power for peaceful purposes to deter a repeat of the 1986 Chernobyl nuclear accident.

The sources said Japan hopes to consult with the Soviet Union about ways to ensure the safety of nuclear power plants and trouble- free storage of nuclear fuel.

Specifically, they said, Japan is considering dispatching experts to the Soviet Union and inviting Soviet nuclear power plant operators to Japan for training.

Japanese delegates to the Moscow meeting also hope to talk with their Soviet counterparts about measures to strengthen the nuclear nonproliferation regime and visit a nuclear power plant just outside the Soviet capital, the sources said.

Spokesman Announces Freeze on Aid to Haiti

OW0310060391 Tokyo KYODO in English 0318 GMT 3 Oct 91

[Text] Tokyo, Oct. 3 KYODO—Japan has frozen 1.4 billion yen of financial assistance earmarked for Haiti in the wake of Monday's coup d'etat, the top government spokesman said Thursday.

"It is extremely unfortunate that a military coup d'etat should occur despite Haiti's membership in the United Nations and its progress toward democratization," Chief Cabinet Secretary Misoji Sakamoto said.

"We have no choice but to freeze economic assistance for the time being," Sakamoto said at a regularly scheduled news conference.

A Foreign Ministry official said the government decision was effective as of Wednesday, and would cover Japan's entire 1.4 billion yen pledge for 1991.

Sakamoto also said Japan will not recognize the leadership of Brig. Gen. Raoul Cedras, who led the overthrow.

The spokesman declined, however, to take a stance on a request by ousted President Jean-Bertrand Aristides, Haiti's first freely elected president, for an armed U.N. force to restore him to power.

The decision should be left to the judgment of the U.N., Sakamoto said.

The Diet on Thursday agreed to carry over into its next session a bill that would allow Japan's military to join U.N. peacekeeping forces. The bill would bar SDF [Self Defense Forces] personnel from taking part in offensive action.

Other countries that have halted economic aid to the Caribbean island nation include the United States, France, and Canada.

Revised Securities, Exchange Law Passes Diet

OW0310050891 Tokyo KYODO in English 0315 GMT 3 Oct 91

[Text] Tokyo, Oct. 3 KYODO—The Diet passed a bill Thursday revising the Securities and Exchange Law to forbid paying and requesting compensation for investment losses.

The legislation came one day before the current 61-day extraordinary Diet session ends Friday.

The House of Councillors approved the legislation, which was referred from the House of Representatives, unanimously at a plenary session. The legislation will go into effect in three months.

The government proposed the bill in an emergency effort to prevent a recurrence of the recent Japanese stock scandal in which brokers compensated favored clients for investment losses.

The bill will carry penalties of up to one year in prison or a fine of up to 1 million yen for brokers who agree to pay compensation for investment losses.

Clients who demanded such compensation will be subject to up to six months in prison or a fine of up to 500,000 yen.

The legislation also bans discretionary securities accounts, which give brokerages control of investment decisions and have been criticized as a major factor in the brokerages payout scandal.

Any money paid to cover investment losses will be confiscated under the revised law.

The both houses' Special Committees on Securities and Financial Problems adopted resolutions accompanying the bill, calling on the government to review some provisions in the legislation.

Those provisions include heavy penalties against brokerage firms violating the law, establishment of a claim-filing mechanism by the Securities Industry and the Tokyo Stock Exchange, and a ban on stock trading and bank deposits under false names.

The Finance Ministry plans to submit a separate bill overhauling the Securities and Exchange Law to the next ordinary Diet session opening next January, officials said.

The bill would include creation of an agency to supervise the securities and banking industries, the officials said.

Meanwhile on Thursday, the lower house's Special Committee on International Peace Cooperation decided to carry over to the next Diet session a government-proposed bill that would allow Japan's Self-Defense Forces (SDF) personnel to participate in United Nations peacekeeping operations.

The ruling Liberal Democratic Party, Komeito, and the Democratic Socialist Party agreed to continue discussions on the bill, while the largest opposition party, the Social Democratic Party, the Japanese Communist Party, and the Shimpo Minshu Rengo opposed it.

The bill was drafted after a series of talks between the LDP and the two centrist opposition parties Komeito and the DSP. The Government sent it to the Diet on september 19.

If it becomes law, the bill would permit the first overseas deployment of armed Japanese troops since the end of World War II.

Also Thursday, Yoshihiko Tsuchiya, President of the House of Councillors, tendered his resignation to Ippei Koyama, Vice President of the Second Chamber.

Yuji Osada, former director general of the Science and Technology Agency, is expected to succeed Tsuchiya at a plenary session Friday. Tsuchiya took office in September 1988.

Finance Minister Hashimoto Tenders Resignation

OW0310040991 Tokyo KYODO in English 0337 GMT 3 Oct 91

[Text] Tokyo, Oct. 3 KYODO—Finance Minister Ryutaro Hashimoto said Thursday he will resign to take responsibility for recent brokerage and banking scandals after attending international financial conferences in Bangkok in mid-October.

Hashimoto said at a press conference at the Finance Ministry that he tendered his resignation to Prime Minister Toshiki Kaifu but Kaifu refused to accept his immediate resignation.

The minister offered to resign, in keeping with an earlier pledge, after the Diet enacted a bill on Thursday morning revising the Securities and Exchange Law to prevent a recurrence of such financial scandals.

Hashimoto said he will attend the conference of finance ministers and central bank governors from the Group of Seven (G-7) industrialized nations and an International Monetary Fund (IMF)-World Bank meeting, both in Bangkok, before leaving office.

Hashimoto first told Kaifu of his intention to resign in early August, when his aide's ties to a loan fraud scandal at Fuji Bank came to light.

But Kaifu required him to remain as finance minister to see through the amendment of the Securities Law and Augmentation of Law Enforcement Systems to prevent a recurrence of the scandal, which rocked the Japanese financial industries this summer.

Hashimoto repeatedly said he really regrets not being able to prevent the scandal, which centers on major securities companies' compensations of stock investment losses for their favored clients.

It has been revealed that the wrongdoing by dozens of Japanese brokerage houses, including the so-called big four, continued even after Hashimoto issued a directive ordering them not to engage in such illicit practices in December 1989.

At the Thursday press conference, Hashimoto also said Vice Finance Minister Hiroshi Yasuda sought to resign.

But Hashimoto said he told the deputy to remain in the post of top finance bureaucrat to complete the reform of the financial administration and businesses. It is widely expected that Kaifu or Michio Ochi, director general of the Economic Planning Agency, will serve as finance minister, while keeping their current posts, after Hashimoto leaves.

This is because the election for the presidency of the ruling Liberal Democratic Party, to be followed by a reshuffle of the cabinet, is expected later this month.

The election campaign for LDP [Liberal Democratic Party] president is to start on October 19, with the election scheduled to be held on October 27.

'Ordered' By Kaifu To Stay

OW0310042691 Tokyo KYODO in English 0411 GMT 3 Oct 91

[Text] Tokyo, Oct. 3 KYODO—Finance Minister Ryutaro Hashimoto, in a long-expected move, submitted a letter of resignation to Prime Minister Toshiki Kaifu but the premier refused to allow him to quit immediately, Hashimoto said.

Hashimoto told a packed press conference that he asked Kaifu to allow him to step down to take responsibility for a stock scandal and the involvement of his top aide in a fraudulent bank loan case.

Kaifu ordered him to stay at his post for a while to attend upcoming international financial meetings in Bangkok, Hashimoto said.

Kaifu told Hashimoto that he must explain to the international financial community the steps the Japanese Government has taken to prevent a recurrence of the scandal, Hashimoto said.

Hashimoto's move came just after the government-sponsored bill to amend the Securities and Exchange Law passed the Diet.

He had been dropping hints that he would resign once the bill, aimed at strengthening the government's law enforcement power over the securities industries, cleared the Diet.

When he will actually resign from his post has not been decided yet, he said. "I will carry out my duty as a Finance Minister until I return from international conferences that I have to attend, and report on the meetings to the prime minister."

Hashimoto said he has not decided yet if he will attend the semiannual meeting of the International Monetary Fund [IMF] and the World Bank in mid-October.

Hashimoto suggested he will at least attend the meeting of finance ministers and central bankers of the Group of Seven major industrial countries, which is to be held prior to the IMF meeting.

Fuji Bank Chairman Resigns Over Scandal

OW0310111791 Tokyo KYODO in English 1100 GMT 3 Oct 91

[Text] Tokyo, Oct. 3 KYODO—The chairman of Fuji Bank resigned Thursday over one of the largest scandals in the history of the Japanese banking industry involving its former employees, Bank President Toru Hashimoto said at a press conference.

Taizo Hashida stepped down to "make clear the management responsibility for the scandal," Hashimoto said.

Hashida will serve as an adviser and his post will be left vacant for the time being, Hashimoto said.

Fuji, the country's major commercial bank, at an extraordinary meeting of its board of directors earlier in the day, also decided on punishments for other officials involved in the loan fraud scandal, including resignations of two other senior officials and sweeping pay cuts for all the directors and higher echelon of the bank.

Junichi Shinozuka, a director and former head of the bank's Akasaka branch, the principal scene of the scandal, also resigned, Hashimoto said.

Hashida, who also attended the press conference, said the scandal has its root in the profit-above-all cult that gripped the bank amid a harsh revenue contest among Japanese banks in the late 1980s. Hashida admitted the management tenet in those days was wrong, and the bank is going through major reforms aimed at strengthening the checking system.

Hashida also said he will resign as vice chairman of the Japan Federation of Employers' Associations (Nikkeiren).

Hashida's resignation came just after Finance Minister Ryutaro Hashimoto announced his intention of stepping down over the recent stock scandal and his aide's ties with the Fuji fraud case. Hashida denied his decision had any direct relation with Hashimoto's move to resign.

Under the loan forgery scheme, which first came to light late July with the bank's own announcement, Fuji's four former employees concocted fake deposit records on behalf of 23 companies, which were used as collateral to secure 260 billion yen in loans from 14 finance companies. The four employees, who were arrested last month, were indicted on several charges including fraud. Minoru Nakamura, 38, and Hideo Sato, 39, both former senior officials at the bank's Akasaka branch, are the main culprits in the case.

Hashida, who said he had been considering resigning since the bank moved to file a lawsuit against the four officials late July, admitted his resignation was timed with the indictment.

Meanwhile, the Finance Ministry has started an investigation into Fuji Bank's head office and eight branch offices, including the one at Ichigaya, Tokyo, which was related to the scandal. The probe focuses on studying whether the measures the bank has taken to prevent a recurrence of the scandal are actually working, ministry officials said. The investigation is likely to take longer than usual because the ministry wants to scrutinize carefully the effect of the reform steps, an official said.

The Finance Ministry's investigation into Fuji Bank marked the start of the ministry probe into financial institutions involved in the recent business scandals.

The ministry will check if the reform plan the bank released in August is proceeding well, ministry officials said.

Fuji submitted a plan to reinforce management control and inspection of business activities in response to a ministry request.

The ministry will focus on whether the bank has improved its sloppy control of employees' activities at branch offices, the officials said.

At the Akasaka branch, a senior bank official was easily able to use the seal of the branch manager in the fraud.

Fuji President Hashimoto said the bank's management was out of balance at the time of the fraud, and had overemphasized business records at the expense of vigilance.

Hashimoto said the bank plans to change its organization and management system radically to ease pressures on branch officials.

Australia Asks Firms To Join Satellite Project

OW0310024391 Tokyo KYODO in English 0029 GMT 03 Oct 91

[Text] Tokyo, Oct. 3 KYODO—The Australian Government has asked 14 major Japanese companies to join in building a launch base for commercial satellites in Queensland, a major Japanese economic daily reported Thursday.

Companies from Australia, Britain, the United States, and the Soviet Union already plan to participate in the project, the NIHON KEIZAI SHIMBUN said.

Australian Government officials came to Tokyo recently to discuss the project with companies from the construction, electronic, trading, and financial sectors and requested capital investment and technological assistance, the paper said.

If the Japanese companies decide to take part in the international project, it will be the first time for Japan to join an overseas satellite business, it said.

The base is expected to be ready to launch satellites in 1995 at the earliest.

The Soviet Union has offered at a low price its rockets capable of launching 2-ton-class satellites, according to the paper.

U.S. companies are to be in charge of conducting the launches.

Half of Government Aid Funneled Via OECF

OW0310083591 Tokyo KYODO in English 0820 GMT 3 Oct 91

[Text] Tokyo, Oct. 3 KYODO—The government-funded Overseas Economic Cooperation Fund (OECF) shelled out almost half of Japan's overseas assistance in 1990, as its gross aid outlays set another record, according to the fund's annual report released Thursday.

The aid agency extended 4.30 billion U.S. dollars more than it collected in repayments last year, a steady increase in net disbursement from 3.94 billion yen a year earlier.

Last year's sum represents 46.6 percent of Japan's Official Development Assistance (ODA), compared with a 44.0 percent share posted in 1989.

Japan's official aid totaled 9.1 billion dollars last year, ranking the country second among the world's donor nations behind the United States, which reported some 11 billion dollars.

The annual report says the fund made massive contributions to Japan's overseas aid program, which aims to more than double its outlays between 1988 and 1992 from 25 billion dollars recorded in the previous five-year period.

The organization extended a record 812.8 billion yen in gross disbursements in fiscal 1990, ended March 31, a 23 percent jump from 659.3 billion yen a year earlier.

This brought the balance of the fund's disbursements to 6,115.4 billion yen at the end of March, equivalent to one-third of that provided by the World Bank.

In the previous fiscal year, the organization committed itself to loan agreements totaling 1,014.5 billion yen, the second-largest figure after the 1,100.3 billion yen recorded in fiscal 1988.

Asia, the largest borrower, received 733.84 billion yen or 72.9 percent, of the fund's total loans, down from 77.5 percent, while the Middle East region, with 68.78 billion yen, boosted its share to 6.8 percent from 4.2 percent.

The higher share of the Middle East stems chiefly from Japan's assistance to Egypt, Turkey, and Jordan, countries hard hit by the Persian Gulf crisis since August last year.

Of the 2 billion dollars Japan provided in emergency aid to the three so-called frontline nations, the OECF accounted for 600 million dollars.

The fund also boasts of the improved quality of its assistance.

Interest rates on its loans, for instance, averaged 2.61 percent in fiscal 1990, down from 2.64 percent a year before.

All the loans disbursed in fiscal 1990 were untied, which means that borrowing nations can procure necessary equipment from other developing nations as well as the donor country.

The fund, established in 1961, serves as Japan's major provider of soft loans. Loans with stricter terms are channeled through the Export-Import Bank of Japan.

The report also noted the fund's efforts to promote environmental preservation and to enhance the well-being of women in developing countries.

Environmental- and women-related projects it financed in fiscal 1990 include a tree-planting project in India and infrastructure building in Thai farm villages.

Relief for Tortoiseshell Goods Makers Approved

OW0110044891 Tokyo KYODO in English 0335 GMT 1 Oct 91

[Text] Tokyo, Oct. 1 KYODO—The government on Tuesday officially decided to provide relief to workers in the tortoiseshell products industry who will de adversely affected by Japan's planned ban on imports of endangered hawksbill sea turtles.

A cabinet meeting approved the step to apply a relief program to secure stable employment in recession-gripped industries to the tortoiseshell processing industry.

The measure came after Japan, under strong U.S. pressure, pledged in May to impose a ban on imports of the endangered sea turtles starting in 1993.

Trade in the hawksbill turtle is prohibited by an international treaty to protect endangered species.

Some 1,400 people in Japan are employed in the tortoiseshell products industry, turning out goods including eyeglass frames, combs, and pendants, made mainly from hawksbill shells.

The government relief measures, to cover two years from Friday, will involve subsidies to about 630 tortoiseshell makers in Nagasaki, Osaka, and Tokyo, and vocational training and low-interest loans to help them find new jobs or start new businesses.

The special program has been applied to 13 industrial sectors so far, including the coal mining and frozen-fish processing industries.

Firm Introduces New RISC Microprocessor

OW0210183291 Tokyo KYODO in English 1207 GMT 2 Oct 91

[Text] Tokyo, Oct. 2 KYODO—MIPS Computer Systems Japan K.K. and its four semiconductor partners have jointly introduced three versions of a 64-bit reduced instruction set computer (RISC) microprocessor for use with advanced computer products in Japan, company officials said Wednesday.

MIPS Computer Systems Inc. President Charles M. Boesenberg said at a Tokyo press conference, "the 64-bit architecture and wide availability of the chip is going to lead the way into third-generation RISC computing."

MIPS Computer Systems Inc., parent company of MIPS Computer Systems Japan, made an announcement on the new product in the United States on Tuesday.

MIPS' four partners include Integrated Device Technology K.K., LSI Logic K.K., NEC Corp., and Fuji Electronic Components, Ltd., a joint venture of Japan's Fuji Electric Co. and Germany's Siemens.

RISC-based workstations are favored by engineers and scientists for their ability to perform high-speed calculations, but are also fast becoming popular with general businesses.

The three versions of the R4000 microprocessor pack about 1.3 million transistors on a complementary metal oxide semiconductor (CMOS) chip, using a 0.8 micron etching technique.

The microprocessors have a clock speed of 50 to 100 megahertz and can execute about 80 million instructions per second. The clock speed is the internal heartbeat and speed of a computer.

"The 64-bit R4000 chips will also run all software applications written for its previous 32-bit r3000 RISC chips without any modifications so users will be able to continue to use the programs they invested in so heavily," Boesenberg said.

In the past, users have had to invest heavily in new software programs when opting to switch to more advanced computer systems.

NEC officials said engineering samples of the R4000 chips are available now but volume shipments would not begin until the first half of 1992. Other makers are expected to do the same.

The Japanese computer maker plans a monthly production of 10,000 microprocessors per month from next year.

The chips are targeted for products such as low-cost desktop computers, low-end computer servers, and embedded controllers.

They are expected to initially sell for over 1,000 dollars but could drop sharply to 700 dollars with multiple sourcing and volume production in 1992, industry sources said.

Prices for the chips could drop further to 300 dollars a chip in 1993 when derivatives of the R4000 become available, sources said.

MIPS computer, owned partially by Japan's Kubota Ltd, is a rival to U.S.-based Sun Microsystems Inc., the world's leading workstation maker. Both companies are promoting their own RISC technologies to become an international standard for computers.

In April 1991, MIPS and other U.S., European, and Japanese computer and semiconductor manufacturers, software developers, and other companies formed the advanced computing environment (ACE) to promote an open standard for a new class of advanced computers.

North Korea

Premier Gives Keynote Speech at UN Assembly

SK0310042491 Pyongyang Korean Central Broadcasting Network in Korean 0200 GMT 3 Sep 91

["Text" of keynote speech by Yon Hyong-muk, premier of the DPRK State Administration Council, at the 46th session of the United Nations General Assembly on 2 October; read by announcer—recorded]

[Text] Esteemed Secretary General Mr. Xavier Perez de Cuellar, esteemed President Mr. Samir Shihabi, and esteemed delegates:

I am very pleased to make public the DPRK's domestic and foreign policy and its views on international issues from this podium in the wake of our Republic's entry into the United Nations.

First of all, let me offer my congratulations to Mr. Samir Shihabi on his election as president of the current General Assembly session. At the same time, I express my hope that the current General Assembly session will bear satisfactory fruit thanks to your efforts.

I also extend my gratitude to governments of many countries and to delegates from them now attending this session for having adopted a resolution accepting the DPRK as a UN member with a unanimous vote in the 46th UN General Assembly. I declare that our Republic will faithfully discharge its duty worthy of a UN member in a way corresponding to the objectives and principle of the United Nations.

Presently, it has become an unstoppable trend of the times that all countries and races are moving toward sovereignty, independence, and peace after freeing themselves from domination and subjugation. It is a common task of mankind to build a new, free, and peaceful world by vigorously propelling this historical flow. The United Nations serves as an important political stage in fulfilling this task of the times, and the hope the people have for its role grows with each passing day.

In order to build a new and peaceful world aspired for by mankind, I think it is necessary to establish a new fair international order after smashing the old unfair one and to democratize the international community.

A new international order should be built on the independent and equal rights of all countries and races on the face of earth, regardless of their size or degree of their development.

There can be large and small countries and the developed and less developed nations in the world. However, there can be no such thing as superior and inferior countries, or dominating or submissive races.

Our country, though small, is highly sovereign and proud of itself and will make positive efforts, as an equal member of the international community, for the establishment of a new and fair international order free from privileges and high-handedness in international relations.

Unless the gap between the rich and poor, which is growing more serious with each passing day between the developed and developing countries, narrows, it will be impossible to establish a truly new international order. We think that the nonaligned countries and developing countries should strengthen and develop the Nonaligned Movement as a more vigorous force so that it can contribute to establishing a new international order and the cause of global peace and to exercise its rights commensurate with itself.

If the member states of the Nonaligned Movement promote friendship and cooperation in unity in the process of realizing the movement's principles and ideals, they can hasten national reconstruction and propitiously maintain relations with the developed countries by making headway in the South-South cooperation.

Only when the gulf between the rich and the poor, between the North and South, is narrowed after the establishment of a new international order, can durable global peace be guaranteed.

Peace is mankind's common desire. The source of threats to peace at present lies in the trampling underfoot of other countries' and races' independence and in attempting to dominate others.

In order to defend peace, I think that all the countries and peoples should vigorously carry out cooperative action in the international community to retain their independence, oppose the policy of power, and prevent war.

The most urgent problem in ensuring durable peace in the world is to realize arms reduction and to abolish nuclear and other weapons of mass destruction. The Korean people who are under the constant threat of nuclear weapons raise the abolition of nuclear weapons as an urgent demand concerning the nation's fate. The government of our Republic considers realizing a comprehensive nuclear test ban at an early date as one of the most urgent problems in the field of arms reduction at the present time. The government of our Republic will actively join the efforts of the international community to block the testing and production of nuclear weapons, to reduce the existing nuclear weapons, and, further, to abolish all nuclear weapons.

To complete and sign a worldwide chemical weapons treaty is an important step in abolishing weapons of mass destruction. We support the ideal of banning chemical weapons from the standpoint of comprehensive arms reduction and will make efforts so that this treaty may become an equal, comprehensive, and complete measure of international law.

The government of our Republic maintains that for the world to be peaceful and stable, the disputes among countries and nations and regional disputes and disturbances should be resolved at an early date. All the disputes should be resolved in the interest of the parties concerned and for the cause of peace. The United Nations has made considerable efforts in recent times for the settlement of disputes and has made a series of progress. We express support for all efforts to solve regional disputes through dialogue, negotiation, and political settlement. We maintain that all acts of infringing upon the sovereignty of other countries, interfering in their internal affairs, and exerting unjust blockades and pressure on them should stop without delay. We support the just struggle of the people of all the countries opposing this policy of interference.

Honorable chairman, delegates: Now that the DPRK has been officially admitted into the United Nations, the government of the Republic looks forward to the United Nations' due contribution to correctly liquidating the remains of the past history that has existed between our country and the United Nations and to the fair and just solution of the Korean reunification issue.

The Korean nation is a unitary nation that has been in the same land with one language and one set of blood vessels for thousands of years. The division of Korea was hardly born of internal conflicts within our nation itself but by foreign forces. Today, the Korean reunification issue is not only a demand of vital importance to our nation's fate but is an urgent problem awaiting solution directly connected with peace in Asia and the world.

In the process of the protracted continuation of Korea's division, different systems have settled in the North and the South. In North Korea, a man-centered socialist system embodying the chuche idea has firmly taken root. Our socialism was not imported from another country, nor was it copied from some other country. It is a unique socialism of our own style which has been chosen by our people to suit our country's reality and was strengthened and developed by our people themselves. In our country, the leader, the party, and the masses are in wholehearted unity, and all the people are filled with firm faith and the will to adhere to our socialism. Therefore, our socialism is not shaken by any wind blowing from outside but keeps on advancing firmly along its road.

Although temporary frustrations and vicissitudes are possible in the process of history's progress, it is an inviolable law that mankind advances along the road of independence. The question is how firmly one relies on the popular masses, how much one respects the will of the popular masses, and how one speaks for their interests.

We have maintained a position that the national reunification issue should be solved according to our people's will and in their interests. Proceeding from this, we have consistently insisted on realizing reunification based on pulling down the wall of division and on great national unity.

We cannot understand why those who raised a shout of joy over the breaking down of the Berlin Wall and wall of the East-West cold war keep their mouth shut about the concrete wall built in the area south of the Military

Demarcation Line, the symbol of division and confrontation in Korea. We have already proposed that the concrete wall in an area south of the demarcation line be pulled down and that free travel and a full-scale opening be effected in all political, economic, and cultural areas. This is a powerful way to realize national reconciliation and unity and to achieve national reunification.

A system, different from ours, has continued to exist in the southern part of Korea. We believe that the settlement of the Korean issue should start, without fail, from the reality prevailing in our country, and that a way suitable for our country's particular conditions should be found. If one insists on reunification on the basis of simplifying the systems into one with disregard for this stark reality in the North and South, this will, without fail, aggravate distrust and confrontation instead of leading to reunification. Going one step farther, this will end in causing clashes and the calamities of war once again.

This being the case, we call for Korea's reunification to be realized by way of the North and South achieving unity as a single people, with reunification of the nation instead of reunification of the systems. This is based on the principle of neither side conquering or being conquered. As the most practical way of realizing this, our republic has advanced a proposal for reunifying the country by way of founding a confederal system based on one people and one state, two systems and two governments. As a way of achieving such a confederal system, we have offered a proposal for reunification through founding the democratic confederal republic of Koryo.

In order to shore up national consensus on this proposal more easily, we have expressed our willingness to discuss the issue of consummating the reunification based on the confederal system step by step. We would grant, provisionally, greater power and authority to local autonomous governments of the confederal republic and enhance the functions of the central government in the future, on a phased basis.

We think that reunification within the framework of a confederal system is the only, the most practical, and the peace-loving way of achieving national reunification without tolerating all such business as prevailing over communism, reunification through communizing the other side, northward invasion, or southward invasion.

This proposal also is identical to the lofty goals of the United Nations, whose mission it is to defend peace and justice in international relations.

Our people have built in the past the wonderful tradition and experience of having achieved unity for a common national cause, transcending differences in thoughts, ideology, and political and religious views.

If all the people in North and South Korea and overseas compatriots unite with each other by keeping national traditions alive and base themselves on this to achieve great national unity, they can achieve, without fail, national reunification, the supreme national task.

We regard North-South talks as a basic instrument in achieving peaceful reunification. We intend to open the door to peaceful reunification in Korea through successful holdings of the North-South high-level talks. If and when the North-South high-level talks bear good fruit, summit talks will be possible.

The North-South talks should be for reunification. Under no circumstances should they be allowed to perpetuate division. National reunification is a pan-national cause that cannot be realized by the strength of the authorities in the North and South or by a particular sector alone.

The political force in the political parties and groupings of all strata hoping for national reunification and the people of all walks of life should synchronize their calls and acts and federate and unite with each other.

With a view toward reaching a national agreement on the way of national reunification, we have offered a proposal for convening a political consultative meeting for national reunification at an early date. This would be attended by the heads of authorities in the North and South and by representatives of the political parties and public organizations.

Even though North and South Korea has each entered the United Nations with a separate seat, there is no change in our position on national reunification. We will make active efforts to hasten the day when our people have achieved national reunification based on great national unity and contribute to the common cause of mankind with a single seat in the United Nations.

A peaceful settlement of our country's reunification issue raises such important questions as, first of all, guarantees of peace on the Korean peninsula and the creation of preconditions for a peaceful reunification.

We regard the adoption of a nonaggression declaration between the North and South as the starting point of removing the state of military confrontation on the Korean peninsula and of improving North-South relations essentially. A large number of armed forces, numbering 1 million, stands in a tense faceoff across the Military Demarcation Line on the Korean peninsula. The state of military confrontation on the Korean peninsula is the source of mistrust and misunderstanding between the North and South.

As long as the North and South keep their guns trained on the other side and hide knives under their sleeve, it is impossible to ease the situation or remove the tensions no matter how long one may wait.

As a direct measure to remove the state of acute confrontation, we have long proposed that the North and South adopt a nonaggression declaration. If and when the two sides adopt the nonaggression declaration, it will open a decisive phase in converting the unstable truce structure into a durable peace structure on the Korean peninsula and ending the confrontation between the North and South.

We have offered a proposal for removing the state of military confrontation by realizing disarmament between the North and South, along with the adoption of a nonaggression declaration.

Unless the confrontation is ended on the Korean peninsula, where the tensions and the danger of war have reached an extreme point, it will be impossible to promote trust or discuss and settle the issue of peaceful reunification between the North and South.

The government of our republic has already stated a comprehensive proposal for realizing disarmament on the Korean peninsula.

We hold that the North and South should ban all manner of joint military exercises with foreign troops and large-scale military exercises, convert the Demilitarized Zone along the Military Demarcation Line into a peace zone and use it for peaceful purposes, and then take security steps to prevent accidental conflicts and their escalation, all for the purpose of creating an atmosphere of confidence between the North and South.

Also, we insist that in order to remove the military confrontation, the North and South should effect a phased reduction of their armed forces in three to four years to fewer than 100,000 men apiece, dissolve all the civilian military organizations and civilian armed forces, stop the introduction of new military technology and the development of military equipment, and verify the implementation of the disarmament through on-the-spot inspections.

Not only has the government of our republic offered peace-aspiring proposals for disarmament, but it has also taken a measure to reduce a large number of troops on its own initiative. Regrettably, however, our peace proposals have ended up only in a unilateral effort and have made no more progress.

We think that if the North and South agree on disarmament and embark on the road of implementing it, it will remove the danger of armed clashes and the danger of war from the Korean peninsula, dissipate the distrust between the North and South, and lead to the creation of an atmosphere favorable for a peaceful reunification.

Now that the North and South have separately joined the United Nations, we consider that measures should be taken to disband the United Nations Command in South Korea, withdraw the UN forces, and replace the Korean Armistice Agreement with a peace agreement.

The denuclearization of the Korean peninsula stands out as a practical issue in ensuring a durable peace in Korea.

Out of a desire to rid the Korean peninsula of the danger of nuclear war and contribute to durable peace and security in Asia and in the world at large, we have offered a proposal for converting the Korean peninsula into a nuclear-free zone.

In July the government of the Republic made a new proposal which included the issue of calling on the North and the South of Korea to establish a nuclear-free zone on the Korean peninsula and to declare this agreement jointly. It would require the United States, the Soviet Union, and China—the nuclear weapon states around the Korean peninsula—to legally guarantee the position of the Korean peninsula as soon as the agreement on denuclearization of the Korean peninsula is reached and it is declared a nuclear-free zone. It called on non-nuclear nations in Asia to support the denuclearization of the Korean peninsula and to guarantee its position.

The nuclear weapon states and relevant parties welcome our new proposal. We consider it necessary that the North and the South of Korea declare to the entire world that they will prohibit testing, production, and possession of nuclear weapons and that they will ban deployment and passage of nuclear weapons in their territories and relevant military exercises.

It is beyond doubt that if the North and the South of Korea jointly declare the denuclearization of the Korean peninsula, and if the nuclear weapon states around the Korean peninsula legally guarantee the position of the Korean peninsula, the danger of nuclear war in Korea will be removed forever, and durable peace will be settled.

We clearly declare again that we have no intention of developing nuclear weapons, nor do we have the capability to do so.

The issue of nuclear inspection in our country cannot be resolved if this issue is separated from certain circumstances created in our country. We expected that if our nation participated in the Nuclear Non-Proliferation Treaty, the nuclear threat against us would be removed. However, the reality proved to be contrary to our expectation, and the nuclear threat to us is growing.

The military exercise called Team Spirit, staged south of the Military Demarcation Line [MDL] each year, is in actuality a nuclear war exercise aimed at us.

The only nation directly exposed to nuclear threat as a member state of the Nuclear Non-Proliferation Treaty is ours. Under these circumstances, the issue of removing the nuclear threat is a vital question for us, related to the nation's right to existence.

Under the Non-Proliferation Treaty, a nuclear weapon state is obliged to refrain from threatening non-nuclear member states of the treaty with nuclear weapons.

The problem cannot be solved if anyone demands a unilateral nuclear inspection of us, who are exposed to nuclear threat, while remaining silent about the obligation under the treaty by the nuclear weapon state that actually poses a nuclear threat to us.

It is because of the adoption of a resolution putting international pressure on us, which means interference in our internal affairs, that at the September meeting of the Board of Governors of the International Atomic Energy Agency, the problem of our signing the nuclear safeguards accord could not be solved smoothly.

Our position is that it is difficult to see a solution to this problem if the nuclear threat to us continues and unilateral international pressure is put on us.

A few days ago, U.S. President Bush published his proposal for removing short-range nuclear weapons from the ground and naval bases. We welcome this. We hope that this proposal is realized soon. In view of the U.S. President's proposal, we hope that measures are taken to withdraw U.S. nuclear weapons from South Korea.

If the United States really withdraws its nuclear weapons from South Korea, the way to our signing the nuclear safeguards accord will be opened.

The DPRK is a peaceloving country, and the Korean people treasure peace. The government of our Republic and our people will make all efforts to insure peace in Korea and to safeguard global peace, mankind's common cause.

We firmly believe that our national desire for insuring peace on the Korean peninsula and achieving independent and peaceful reunification will enjoy support and sympathy from UN member states.

Mr. President, independence, peace, and friendship are the basic ideal of our government's foreign policy. Based on this ideal, we will promote friendship and unity with all countries in the international community, positively contribute to the UN cause of peace, including world peace and security, and make every possible effort for a sound development of international relations and the further expansion and development of friendly and cooperative relations among countries. Thank you.

Premier Meets More Foreign Officials at UN

SK0310061991 Pyongyang KCNA in English 0535 GMT 3 Oct 91

[Text] Pyongyang Octobe: 3 (KCNA)—Yon Hyong-muk, premier of the Administration Council of the DPRK, who is participating in the 46th session of the United Nations General Assembly met Ecuadorian President Rodrigo Borja Ceballos and chairman of the Supreme National Council of Cambodia Norodom Sihanouk in New York on September 30.

The premier conveyed them regards of President Kim Il-song and Comrade Kim Chong-il.

They expressed deep thanks for this and asked the premier to forward their warm greetings to President Kim Il-song and Comrade Kim Chong-il.

On the same day, the premier conversed with president of the Supreme Soviet of Ukraine Leonid Kravchuk and Chinese Foreign Minister Qian Qichen.

DPRK Foreign Minister Kim Yong-nam met and had talks with Egyptian, Angolan, Tunisian, Romanian and Colombian foreign ministers that day.

He also met ex-President of the United States Carter and exchanged views on questions of mutual concern.

Kim Il-Song Departs for PRC Visit 3 Oct

SK0310065791 Pyongyang Korean Central Broadcasting Network in Korean 0620 GMT 3 Oct 91

[Text] The great leader Comrade Kim Il-song, general secretary of the Workers Party of Korea [WPK] Central Committee and president of the DPRK, departed Sinuiju to visit the PRC.

The great leader Comrade Kim Il-song, general secretary of the WPK Central Committee and president of the DPRK, departed Sinuiju on the afternoon of 3 October to visit the PRC upon the invitation of Comrade Jiang Zemin, general secretary of the Central Committee of the Communist Party of China [CPC], and Comrade Yang Shangkun, president of the PRC.

Along with the great leader Comrade Kim Il-song, Comrade Yi Chong-ok, member of the WPK Central Committee Political Bureau and vice president; Comrade Han Song-yong, member of the WPK Central Committee Political Bureau and secretary of the party Central Committee; Comrade Kim Yong-sun, member of the WPK Central Committee and secretary of the party Central Committee; and Comrade Kang Sok-chu, alternate member of the WPK Central Committee and first vice foreign minister, departed. Comrade Chu Chang-chun, member of the WPK Central Committee and our nation's ambassador extraordinary and plenipotentiary to the PRC, also left with them.

At the Sinuiju railway station, the great leader Comrade Kim Il-song was seen off by Comrade Kim Chong-il, member of the Political Bureau Presidium of the WPK Central Committee and secretary of the party Central Committee; Comrade O Chin-u, member of the Political Bureau Presidium of the WPK Central Committee and Minister of People's Armed Forces; Comrades Pak Song-chol and Choe Kwang, members of the WPK Central Committee Political Bureau; Comrades Choe Tae-pok and Choe Yong-nim; alternate members of the Political Bureau; Comrade Hwang Chang-yop, secretary of the party Central Committee; members and alternate members of the party Central Committee, and responsible functionaries from the party, government organizations, and administrative and economic organizations.

Children presented a bouquet to the great leader Comrade Kim Il-song. The great leader Comrade Kim Il-song exchanged greetings with guiding officials of the party and the state who came to see him off.

The guiding officials of the party and the state who came to see him off sincerely wished the great leader Comrade Kim Il-song great success in his visit to the PRC and a safe return.

Kim Il-song Greets PLO's Yasir 'Arafat

SK0210115091 Pyongyang KCNA in English
1046 GMT 2 Oct 91

[Text] Pyongyang October 2 (KCNA)—President Kim Il-song of the Democratic People's Republic of Korea today sent a message of greetings to Yasir 'Arafat upon the latter's reelection as president of the State of Palestine and chairman of the Executive Committee of the Palestine Liberation Organization.

President Kim Il-song in the message noted that the reelection of Yasir 'Arafat as president of the State of Palestine and chairman of the Executive Committee of the Palestine Liberation Organization at the 20th session of the Palestine National Council is an expression of the deep trust and respect of the Palestinian people for him.

He wished the president and people of Palestine greater success in their struggle for putting an end to the occupation of the Palestinian territory by Israel, restoring their legitimate national rights and founding the state of Palestine with al-Quds as the capital.

Japan's Komei Party Congratulates Kim Il-song

SK2809045691 Pyongyang KCNA in English
0408 GMT 28 Sep 91

[Text] Pyongyang September 28 (KCNA)—President Kim Il-song of the Democratic People's Republic of Korea received a message of greetings from Koshiro Ishida, chairman of the Central Executive Committee of the Japan Komei Party, on the occasion of the DPRK's admission to the United Nations.

In the message he expressed the belief that the DPRK's admission to the U.N. would greatly contribute to peaceful reunification on the Korean peninsula, stability in the Far East and to the establishment of a new international order.

The Komei Party is ready to do all it can to maintain and develop durable relations between Japan and the DPRK, stressed the message.

South Army Day Exercises Called 'Criminal Act'

SK0310064991 Pyongyang KCNA in English
0528 GMT 3 Oct 91

["South Korean Puppets Whip Up War Fever"—KCNA headline]

[Text] Pyongyang October 3 (KCNA)—The South Korean military ruling group Wednesday staged a tactical bombing demonstration exercise of the air force to mark "Day of the ROK Army", whipping up war fever against the North, a Seoul-based radio reported.

They mobilized many warplanes in a "close-flight aerial operation," an "air control operation," a "rear blockading operation" and a "tactical paratrooper operation".

This war game was a criminal act going against the unanimous demand of people at home and abroad for easing tensions and guaranteeing durable peace on the Korean peninsula.

It is a challenge which must not go unnoticed that the South Korean puppets are running amuck to create an atmosphere of war with the approach of North-South high-level talks in which the questions of adopting a nonaggression declaration between the North and South and opening up a favorable phase for national reunification will be discussed.

University Head Urges South Students To Struggle

SK2809105991 Pyongyang KCNA in English
1017 GMT 28 Sep 91

[Text] Pyongyang September 28 (KCNA)—Pak Kwan-o, president of Kim Il-song University, in a press statement today expressed the belief that a visit to the northern half of Korea including Kim Il- song University by students of Konguk University would surely be achieved through a struggle.

He said the exchange of study tour groups agreed upon between student delegates of the Korean Language Department of Kim Il-song University and the National Language Course of Konguk University of South Korea at a working-level contact in Panmunjom signified a gratifying first step in achieving national reconciliation and unity and opening the door of national reunification.

He denounced the South Korean authorities who trampled upon the zeal for studies and will for reunification of students, the younger generation, under untenable pretexts and blocked the way of their travel to the North, thus not only greatly disappointing all the teaching staff and students of Kim Il-song University but churning up towering resentment among them.

The South Korean authorities' approval of a contact between students of the North and the South presupposed the approval of their travels, he said, adding: There could be no excuse for them to say belatedly that they had "approved" this but not that.

Now that the No Tae-u ruling group tightly closed the door, fearing that no more than 100 students should travel between the North and the South, they have no face to talk about "exchange" and "reunification," he said.

He expressed the expectation that all the educationists in South Korea would be greatly awakened and students summon up courage and thus daringly wage an anti-No Tae-u, anti-dictatorship struggle.

South Defense Minister's Remarks Termed 'Hokum'

SK0310071191 Pyongyang KCNA in English 0606 GMT 3 Oct 91

[Text] Pyongyang October 3 (KCNA)—NODONG SINMUN in a commentary today hits out at the provocative outcry of South Korean puppet Defense Minister Yi Chong-ku for "military actions" against the North.

The commentary brands his outburst as a de facto declaration of war meant to unleash a war on the pretext of the North's refusal of "nuclear inspection" and gratify their aggressive ambition without difficulty by inveigling the United States and its satellite countries into it. The news analyst says:

Should the puppets take a "military action" against us together with the U.S. imperialists as they threatened, it would turn into a nuclear war and then our nation would suffer more severe disasters than in the last Korean war and world peace would be in great jeopardy.

Some time ago, No Tae-u made quite a noise to create the impression that his group was interested in peace on the Korean peninsula, stringing out such phrases as "settlement of peace" and "military confidence-building" on the U.N. rostrum.

Yi Chong-ku's hokum fully revealed that No's "speech at the U.N." was a mere wordplay to deceive the world and mock the U.N.

The South Korean puppet defense minister claimed an international "inspection" of us alone who have no nuclear arms, while alleging that the U.S. nuclear weapons densely deployed in South Korea should be left intact. This is nothing but a deliberate act to find a pretext to ignite a nuclear war against our Republic.

Our people who set store by the national dignity and sovereignty and love peace will never allow the territory of their country to be reduced to ashes and all the fellow countrymen to suffer tragic disasters due to the nuclear war moves of the bellicose elements.

The South Korean authorities' dangerous attempts to provoke a war must be checked decisively and the warmaniacs bereft of reason be removed without delay.

The South Korean authorities must respond to our peace proposal to get the U.S. forces and nuclear weapons withdrawn from South Korea and make the Korean peninsula a nuclear-free, peace zone as desired by the fellow countrymen.

South Opens Market Wider Due to U.S. Pressure

SK0210153891 Pyongyang KCNA in English 1518 GMT 2 Oct 91

[Text] Pyongyang October 2 (KCNA)—The South Korean authorities, bowing to the U.S. imperialists' market opening pressure, extended the scope of the opening of the circulation market as a second-phase step of the "five-year plan for the development of wholesale and retail businesses" from July 1.

They opened 96 out of the total 121 wholesale and retail businesses of South Korea, while allowing foreign businessmen to increase their shops from 1 to 11.

The present "regime" has opened the circulation market, yielding to the U.S. pressure, giving no thought to the concessions and their consequences in South Korea to win the favor of its master.

The extended opening of the commodity circulation market is a criminal act which will bring catastrophic consequences to the South Korean economy.

Following this step, 60 to 70 foreign businesses including those known to the world have already swarmed into South Korea to complete a survey as to the scales of markets in different areas and customers' interests and are intending to set up direct sales stores.

When these businesses set about direct commodity sales more than 776,500 South Korean commodity circulating businesses will go bankrupt and the South Korean circulation market turn into a profit-seeking object of foreign businesses.

Excess of import took a turn for the worse, trade deficit snowballing, due to the market opening. Trade gap added up to 10,063 million dollars as of the 25th of September.

The authorities' market opening is aggravating the economic crisis, adding fuel to public condemnations and anti-"government" sentiments.

Pyongyang Citizens Welcome Defector From South

SK0210113391 Pyongyang KCNA in English 1029 GMT 2 Oct 91

[Text] Pyongyang October 2 (KCNA)—Pyongyang citizens held a meeting today to warmly welcome PSC Cho Tae-hum of the Second Company, the First Battalion, the 51st Regiment, the 12th Division, 3rd Army Corps of the South Korean puppet army, who came over to the northern half of Korea some time ago.

An order of the republic and prize money were awarded and souvenirs handed to him at the meeting.

Sin An-pang, vice-chairman of the Pyongyang Municipal Administration and Economic Guidance Committee, made a welcoming speech. Saying that Cho Tae-hum resolutely broke with the colonial fascist rule of the U.S. imperialists and the No Tae-u ruling group and came to the fold of our Republic, he highly appraised Cho's coming over to the North as a patriotic deed for the country and the nation.

Cho Tae-hum spoke in reply.

I have come over to the northern half of the country, he said, leaving my dear parents and brothers in South

Korea. This is because I became convinced through the experience of my short life that South Korean society is a society where "the rich get richer and the poor poorer" and the ordinary people like me can never eke out a living and that I could find a life worth humanity only in the North, he said, and added:

Going round various places including Pyongyang and seeing the happy life of the people in the northern half of the country, I felt in every fibre of my being that the northern society is a man- centered ideal society which truly hold the working people dearest.

Noting that the North is a paradise for the people where everything is the best in the world—housing, education, health care and people—he said: I am convinced that the best system in the world has been built under the leadership of the great General Kim Il-song and the dear leader Mr. Kim Chong-il.

I feel the urge to declare proudly that the socialist system in the North is an ideal of mankind which throws light all over the world, soaring high in the center of the world like a morning star shedding brilliance in the dark sky and the best land in the world in whose embrace the whole nation will live.

Working people of broad strata in the South are now determinedly turning out to the plaza of struggle, defying death, for the day of reunification when they will enjoy a life worth humanity and dignity under the policy of the great general and dear Mr. Kim Chong-il, intensely longing for the socialist system of the North, he said.

In conclusion, he expressed his resolution to devote his passion and zeal to the cause of accomplishing national reunification.

Meeting Celebrates Resistance Movements in South

SK0110122191 Pyongyang KCNA in English 1038 GMT 1 Oct 91

[Text] Pyongyang October 1 (KCNA)—A meeting commemorating the 45th anniversary of the October resistance of South Korean people was held at the February 8 House of Culture in Pyongyang today.

Yu Ho-chun, director of the Secretariat of the Central Committee of the Democratic Front for the Reunification of the Fatherland, made a report at the meeting.

The resistance which swept South Korea for nearly two months from October 1 with the participation of some 2,300,000 patriotic people was the first massive patriotic resistance against the U.S. imperialists' military occupation and colonial rule and for the complete independence and sovereignty of the country and democracy, he said, and continued:

It delt a heavy blow at the U.S. imperialists' colonial military rule, made the U.S.-toeing reactionary forces tremble with fear and increased the national and class awareness of the people of all social strata, thus recording a brilliant page in the history of the South Korean people's liberation struggle.

Noting that after the October popular resistance, the February 7 nation-saving struggle, the April 3 uprising of the people on the Cheju Island, the struggle against the "May 10 separate elections", the April 19 uprising, the June popular resistance, the Kwangju popular uprising and other patriotic struggle took place in succession in South Korea, shaking the U.S. imperialists' colonial rule to the foundation, he noted, and stressed: The South Korean people's struggle has strengthened and developed toward the end of the 1980s and at the beginning of the 1990s, getting more active and organized.

He further said:

The anti-U.S. struggle for independence is developing into a struggle involving people of various classes and circles under the slogans of a high degree for having the U.S. imperialist aggression forces and their nuclear weapons withdrawn from South Korea, converting the Korean peninsula into a nuclear-free, peace zone and achieving the independent and peaceful reunification of the country.

Pointing out that the U.S. imperialists and the South Korean puppets are making desperate efforts in face of the resolute anti- U.S. struggle, he said:

The war provocation moves of the U.S. imperialists and the puppets have reached a very reckless stage. The U.S. imperialists declared that they would continue the "Team Spirit" joint military exercises with outcries over the "collapse of armed forces equilibrium" and "security," and the puppets are letting loose such bellicose utterances as "option of military action" and "attack", demanding an inspection of "nuclear facilities" of the North.

If the U.S. imperialists truly want security and peace on the Korean peninsula, he said, they have no ground to avoid the signing of a peace agreement with the DPRK or to keep their troops in South Korea under the pretext of "threat from the North" still now when the DPRK joined the United Nations.

The No Tae-u ruling group set up a fascist terrorist headquarters called "joint security affairs investigation headquarters", has thrown behind bars those who visited the North and patriotic champions of reunification and arrested and put on the want list the core elements of independent and democratic organizations, branding them as "organizations seeking to overthrow the system", he said.

Noting that the most urgent, supreme task facing our nation is to reunify the country, he noted, and stressed:

In order to promote national reunification, it is imperative to adopt a non-aggression declaration between the North and the South, replace the armistice agreement with a peace agreement between the DPRK and the United States and reach a nationwide agreement on how to reunify the country.

The meeting was participated in by Yun Ki-pok, secretary of the C.C. [Central Committee], the Workers' Party of Korea and vice- chairman of the Committee for the Peaceful Reunification of the Fatherland, and other officials concerned.

Iron, Steel Production Show Increase

SK0210152091 Pyongyang KCNA in English 1503 GMT 2 Oct 91

[Text] Pyongyang October 2 (KCNA)—The output of iron and steel has of late leaped in Korea.

Production jumped up at the Kim Chaek iron and steel complex, the Songjin steel complex and other iron and steel works in North Hamgyong Province as a result of the vigorous technical innovation movement and effective industrial management.

According to data available, the output of pig iron and steel went up respectively 30 percent and that of rolled steel more than 20 percent in the last 15 days above the like period of the previous month.

The Chongjin steel works is carrying out the daily plans at 120 percent, having set itself the goal of lifting steel output 80 percent.

Achievements in Mineral Production Detailed

SK0310152191 Pyongyang KCNA in English 1511 GMT 3 Oct 91

[Text] Pyongyang October 3 (KCNA)—The Musan mining complex, a leading iron headings producer of Korea, has removed 20 million more cubic metres of earth and produced 800,000 more tons of iron headings during the first nine months of this year than in the same period last year.

In the last 20 days or more alone the complex put out 5,000 more tons of iron headings than in the like period of the previous month.

The Sangwon cement complex boosted the production of cement 7 percent, limestone 8 percent and clinker 6 percent in September above the previous month.

Steel works No. 8 has these days lifted the output of steel 90 percent and rolled steel 60 percent up on the corresponding period last year, and the Tanchon mining machine factory is topping the daily plans of transport and dressing equipment by more than 10 percent.

The North Hamgyong Provincial Forestry Administration has increased the production of timber in the last 30 days 51.3 percent up on the preceding 30 days.

KCNA Reviews 3 Oct Pyongyang Press

SK0310073791 Pyongyang KCNA in English 0546 GMT 3 Oct 91

[Press review]

[Text] Pyongyang October 3 (KCNA)—Papers here today give frontpage prominence to a message of greetings sent by President Kim Il-song of the Democratic People's Republic of Korea to Yasir 'Arafat on the latter's reelection as president of the State of Palestine and chairman of the Executive Committee of the Palestine Liberation Organization.

Given in the press is a report that the great leader President Kim Il-song received messages of greetings and congratulatory letters from different countries on the 43rd anniversary of the founding of the DPRK.

NODONG SINMUN gives an account of lecture meetings on immortal classic works of President Kim Il-song held in India.

Works of the dear leader Comrade Kim Chong-il were carried by foreign newspapers, says the paper.

MINJU CHOSON introduces oungum, a national musical instrument that was manufactured under the warm care of Comrade Kim Chong-il.

NODONG SINMUN dedicates an article to the first anniversary of the publication of the work of Comrade Kim Chong-il "The Workers' Party of Korea Organizes and Guides All the Victories of Our People."

Figuring large in the press are reports that working people in North Hamgyong and Chagang Provinces are all out to implement the on-the-spot teachings of the great leader.

Printed in NODONG SINMUN is a solidarity message to the Central Committee of the Workers' Party of Korea [WPK] sent by Heinz Stehr, co-chairman of the German Communist Party, wishing greater success in the functions of the international solidarity march for supporting Korea's reunification.

The paper carries messages of greetings to the WPK Central Committee sent by the Central Committee of the South-West Africa People's Organization and the Secretariat of the National Resistance Movement of Uganda in congratulation of the DPRK's admission to the United Nations.

Appearing in the press is news that the participants in the international solidarity march for supporting Korea's reunification launched a march in Kaesong, held a ceremony of hoisting flags of the march at Panmunjom and a ceremony of delivering flags of the march and signature papers in Kaesong and saw the concrete wall in the area south of the Military Demarcation Line.

NODONG SINMUN gives an account of a meeting marking the 45th anniversary of the founding of Kim

Hyong-chik University of Education. The 22nd plenary meeting of the Central Committee of the General Federation of Trade Unions of Korea was held, says the paper.

The premier of the Administration Council of the DPRK now present at the 46th U.N. General Assembly session met the president of Ecuador, chairman of the Supreme National Council of Cambodia, president of the Supreme Soviet of Ukraine and foreign minister of China, according to the press.

NODONG SINMUN carries a statement issued to the press by the chairman of the Central Committee of the General Federation of the Unions of Literature and Arts of Korea and an account of a meeting held by students of Kim Il-song University, in denunciation of the South Korean authorities for blocking the northern visit of South Korean students.

Papers report about sojourn of Pak Song-hui and Song Yong-sung, representatives of the South Korean National Council of Student Representatives, in Pyongyang.

Given in the press is an account of a Pyongyang meeting held to welcome South Korean young man Cho Tae-hom who has come over to the northern half of Korea.

The South Korean puppets committed a grave military provocation by infiltrating combat ships deep into our territorial waters in the West Sea of Korea, says the press.

NODONG SINMUN denounces the South Korean puppet defence minister for a bellicose outcry that they should take "military action" against the North.

South Korean news columns of the paper include a report that more than 1,000 prisoners of conscience in 28 jails waged a hunger-strike in demand of release of "political prisoners".

"International solidarity march for supporting Korea's reunification" has been conducted in diverse forms and ways in some 100 countries from February this year, says the paper.

A commentary of MINJU CHOSON condemns the No Tae-u ruling group for having sentenced the fathers of students Kang Kyong-tae and Pak Chong-chol to penal servitude.

NODONG SINMUN informs the readers that delegates of many countries supported the Korean people's cause of national reunification at the 46th session of the U.N. General Assembly.

Appearing in the paper is news that foreign political and public circles supported the DPRK's U.N. membership.

Papers report that the 42nd anniversary of the national day was celebrated in different parts of China and PEOPLE'S DAILY issued an editorial to celebrate it.

Given in NODONG SINMUN is news that Kenichi Takaki, executive chairman of the postwar international forum in the Asia-Pacific region, demanded that the question of compensation be discussed formally at the Japan-DPRK negotiations for the normalisation of diplomatic relations, a bill of the Japanese Government on overseas dispatch of the "Self-Defence Force" evoked great apprehensions within and without Japan and the Japanese Supreme Court confirmed an official visit of the emperor and the prime minister to "Yasukuni shrine" as a violation of the constitution.

The paper introduces success of the Vietnamese people in socialist economic construction.

A foreign ministers' meeting of non-aligned countries was held in New York and the 8th general meeting of the Organisation of the Asia-Pacific News Agencies (OANA) was held in Japan, according to the paper.

Paper carries an article condemning the imperialists and their mouthpieces for embellishing the capitalist economic system.

South Korea

Foreign Minister Meets PRC's Qian Qichen

SK0210171191 Seoul KBS-1 Television Network in Korean 1540 GMT 2 Oct 91

[Text] [Anchorman Kim Tong-u] Talks between foreign ministers of the ROK and the PRC were held for the first time in history yesterday night, local time, in New York. Discussions were held on various issues such as the issue of normalizing ROK-PRC relations.

The following is a report by correspondent Ko Tae-yong from New York.

[Correspondent Ko Tae-yong] Mun Tong-sok, director-general of the International Organization and Treaties Bureau under the ROK Foreign Ministry, who is accompanying Foreign Minister Yi Sang-ok, revealed that on the evening of 2 October at 2250, local time, Foreign Minister Yi met for the first time in history with Qian Qichen, the PRC's foreign minister, in the small conference room of the Security Council at U.N. Headquarters for 35 minutes, and held discussions on the issue of North Korea concluding the Nuclear Safeguards Accord and on ways to ease tensions since North and South Korea's UN admission, including the issue of normalizing relations between the two countries.

In the talks, Foreign Minister Yi expressed his position that he hopes that the two countries of the ROK and the PRC will establish diplomatic relations as soon as possible, and Foreign Minister Qian Qichen asked that the ROK and the PRC quietly and sincerely develop practical relations between the two countries.

Foreign Minister Yi emphasized the need to conclude the trade agreement, the agreement to guarantee investment, and in opening a direct ROK-PRC air route in order to practically develop relations between the ROK and the PRC. Foreign Minister Qian Qichen said that he hopes that negotiations between the two countries regarding these issues will continue. He also said that he hopes to meet Foreign Minister Yi once again at the Asia-Pacific Economic Cooperation Conference (APEC) which will be held in Seoul in November and at the general meeting of the Economic and Social Commission for Asia and Pacific (ESCAP) which will be held in Beijing in April of next year, thus showing a positive attitude in normalizing relations between the ROK and the PRC.

The ROK-PRC foreign ministers' talks which were held for the first time in history was arranged upon agreement by the two missions of the United Nations. Therefore, it seems that the two countries will hold full-scale talks on normalizing relations between the two countries and on the issue of establishing diplomatic relations.

Further on Meeting

SK0310012491 Seoul YONHAP in English 0028 GMT 3 Oct 91

[Text] United Nations, Oct. 2 (YONHAP)—South Korean Foreign Minister Yi Sang-ok and his Chinese counterpart, Qian Qichen, met Wednesday, the first time the foreign ministers of the two nations have ever met officially, in a United Nations conference room, Mun Tong-sok, director-general of the South Korean Foreign Ministry's International Organization Bureau, said.

The ministers exchanged views on bilateral relations, North Korea's signing of a nuclear safeguards agreement, inter-Korean dialogue, inter-Korean relations after the two Koreas' entry into the United Nations and other matters of common concern, Mun, who attended the meeting, said

Yi expressed his satisfaction at the improvement in bilateral relations in trade, economic cooperation, cultural exchanges and other fields since trade representatives were exchanged by Korea and China, Mun said.

Yi expressed his hope that the two countries would normalize relations in the near future and Qian said he thought it would be good if they developed "substantial relations" in a "calm and stable" manner, Mun said.

Yi called for North Korea to sign and implement a nuclear safeguards accord without delay, but Qian said China highly estimated U.S. President George Bush's proposal for drastic cuts in nuclear arms. Qian also said he hoped nuclear weapons would be withdrawn from the Korean peninsula.

"I hope that cooperative relations between South and North Korea improve with their simultaneous entry into the United Nations," Mun quoted Qian as saying.

The 35-minute meeting was arranged through a contact between the U.N. missions of the two countries.

'Early' Normalization Sought

SK0310113791 Seoul YONHAP in English 1105 GMT 3 Oct 91

[Text] Seoul, Oct. 3 (OANA-YONHAP)—South Korea plans to seek early diplomatic normalization and expanded economic ties with China, starting with negotiations with Beijing officials at the Asia-Pacific Economic Cooperation (APEC) ministerial conference next month, a ranking government official said Thursday.

"The fact that China agreed to a Seoul-Beijing foreign ministers' meeting despite its closeness with North Korea indicates it plans to actively improve its relations with South Korea after the two Korea's entry to the United Nations," the official said.

"We will try to reach a basic agreement on diplomatic normalization when Chinese Foreign Minister Qian Qichen comes to Seoul for APEC conference," he said.

South Korean Foreign Minister Yi Sang-ok and Qian met at the United Nations for 35 minutes, the first ever between the two countries, and discussed diplomatic ties, inter-Korean relations and North Korea's signing of the nuclear safeguards accord.

China will formally become an APEC member at the ministerial conference opening here next month, and Qian is expected to come as the chief delegate.

Li Lanqing, Chinese vice minister of foreign economic relations and trade, is also expected to come for the APEC conference. Seoul is hoping to arrange a separate meeting between Li and South Korean Trade and Industry Minister Yi Pong-so for talks on expanding economic cooperation and trade relations, the official said.

Qian said Seoul-Beijing diplomatic ties should progress in a "calm and stable" manner when he met with Yi, but he may respond more favorably when he comes next month, the official said.

"The trade representatives we exchanged earlier this year already have consular functions, and our basic principle is that we should directly seek full diplomatic normalization without going through an intermediary stage," he said.

PRC, ROK Sports Bodies Agree To Exchanges

SK0310033691 Seoul THE KOREA TIMES in English 3 Oct 91 p 12

[Text] Top-level sports officials from Korea and China agreed yesterday to sign a sports exchange agreement within this year.

The agreement was made during a meeting between Sports and Youth Minister Pak Chol-on and vice chairman of National Commission for Sports of China Chang Chaizhen at Pak's office.

According to a ministry spokesman, the two also exchanged views on ways to promote sports exchanges between the two nations.

Pak agreed with his Chinese counterpart Wu Shaozu to sign the sports exchange agreement as soon as possible in July this year when Pak visited China.

Minister Pak also invited the Chairman of Chinese National commission for Sports Wu to Korea in November this year, the spokesman said.

Chang, a top-level Chinese sports official, arrived here to attend the World Soft Tennis Championship which ended yesterday.

Bank Rejects Soviet Credit; Aid Threatened

SK0310055691 Seoul YONHAP in English 0508 GMT 3 Oct 91

[Text] Moscow, Oct. 3 (YONHAP)—Suspension of South Korea's economic aid to the Soviet Union loomed large Wednesday as negotiations on additional guarantees of repayment for tied loans hit a snag.

The Soviets were increasingly suspicious that Korea would back down from its pledged economic cooperation program, an official at the Korean Embassy said, worrying that the Korean Export-Import Bank's [Exim Bank's] refusal to release an 800 million-U.S.-dollar tied loan earmarked for this year might adversely affect Seoul's northern policy.

The Moscow office of the Exim Bank had not approved any of the applications for a total of 60 million dollars in letters of credit it had received from the Soviet Foreign Economic Bank, he said.

The bank blamed the Finance Ministry for blocking it by demanding guarantees of repayment from the republics as well as the central government.

North Premier Gives Interview to Seoul Paper

SK0310090391 Seoul HANGUK ILBO in Korean 3 Oct 91 p 4

["Highlights" of an "exclusive" written interview with North Korean Premier Yon Hyong-muk by correspondent Pyon Hong-chin on 2 October; place not given]

[Text] [Pyon Hong-chin] How significant is President Kim Il-song's visit to China?

[Yon Hyong-muk] The frequent visits to each other's countries by the leaders of Korea and China have become a tradition.

President Kim Il-song's planned visit to China this time, a good-will visit, is part of this tradition.

Through the meetings between the leaders of Korea and China, the peoples of the two countries deepen their relations of friendship and cooperation.

[Pyon] What is North Korea's position on the South-North high-level talks and what must be done for them?

[Yon] As is clearly stated in the agenda items to be discussed at the North-South high-level talks, the mission of these talks is to remove the state of political and military confrontation and realize multifaceted cooperation and exchange between the South and North.

We believe that talks should be conducted for reunification, not for perpetuating division.

No mentionable progress has been made in the three rounds of talks that have been conducted so far, due to the great difference in the stands of the two sides on the talks.

Even though there are obstacles to the talks, we want to narrow the difference in the stands of the two sides and make headway in the talks, making them serve as a stepping-stone for reunification at any cost.

[Pyon] Do you have anything to say to the United States on improving relations between North Korea and the United States?

[Yon] To improve relations between the DPRK and the United States is a pressing matter for peace on the Korean peninsula and for stability and healthy development in Asia and the Pacific.

At present our country and the United States are in a state of hostilities and a state of confrontation.

It is undeniable that the vast amount of U.S. forces deployed in South Korea is the major source of tension on the Korean peninsula.

Ending the abnormal relations between Korea and the United States is one of the basic conditions for settling the Korean question.

We believe that the United States should no longer try to avoid taking the responsibility for the Korean peninsula question. The admission of our country into the United Nations has brightened the prospects for eliminating the abnormal relations that have continued to exist between our country and the United Nations.

We think that the United States should change its policy toward Korea and sign a peace agreement with us. Toward this end, Korea and the United States should start negotiations at an early date.

Improving relations between Korea and the United States will also be in the interest of the United States.

[Pyon] What steps do you think are necessary in order for the South and North to merge their two seats into one in the United Nations?

[Yon] It is provisional that the North and South have entered the United Nations separately.

The two seats that the North and South have taken in the United Nations should be made into a single one without fail. Important in this effort is for the North and South to adopt an appropriate reunification-aspiring attitude through the sole seat.

This is the basic question that the North and South need to solve as part of the effort to acquire a single seat in the United Nations.

We will actively cooperate with the South side so that the North and South can be represented in the United Nations by a single seat.

[Pyon] Do you have anything to say about the separated Korean families residing in the United States?

[Yon] Because of Korea's division, parents and brothers sharing the same blood live separated in the North and South and even abroad. This is a tragedy of our people that must be brought to an end at an early date.

Thanks to our humanitarian measures taken for overseas compatriots, a large number of our fellow countrymen living in the United States have visited the northern half of the Republic in search of their parents, family members, and relatives.

We believe that when the process of national reunification advances farther and Korean-U.S. relations have improved, there will be a settlement of issues related to separated families.

[Pyon] Do you have any words for the Koreans residing in the United States?

[Yon] The Korean compatriots residing in the United States are engaged in a host of activities for national reunification out of a desire to achieve national reunification. It reflects the national spirit and patriotism cherished by the Korean compatriots residing here.

If all the Korean people in the North and South, as well as those abroad, are united, it will lead to the national reunification for which we all hope.

The first step toward national reunification is to realize true national reconciliation and unity, transcending the differences in political views, ideology, and religion.

When all the Korean people in the North and South and abroad are united as one and achieve great national unity in this way, it is equivalent to solving the basic issue in realizing national reunification.

National reunification is a life-and-death matter related to the fate of the Korean people. Our people's unanimous desire is that we should not hand over to our next generations a divided fatherland. We are convinced that the compatriots residing in the United States will devote their patriotic spirit to achieving national reunification, the nation's paramount cause.

North Premier's Address to UN Assembly Reported

SK0310010991 Seoul YONHAP in English 0054 GMT 3 Oct 91

[Text] United Nations, Oct. 2 (YONHAP)—North Korean Prime Minister Yon Hyong-muk reiterated Wednesday his country would allow outside inspection of its nuclear facilities only after U.S. nuclear arms were removed from South Korea.

It was difficult for the communist North to sign a nuclear safeguards accord as long as the nuclear threat against it continued and unilateral international pressure persisted, Yon said in a keynote speech at the 46th session of the U.N. General Assembly. Yon arrived Sept. 27 to address the global body on the occasion of North Korea obtaining full membership alongside rival South Korea.

Pyongyang welcomed U.S. President George Bush's announcement of sweeping reductions in tactical nuclear arms, he said.

"It is our expectation, in light of his plan, that nuclear weapons in South Korea will be eliminated. If the U.S. does indeed withdraw its nuclear weapons from South Korea, the road will be open for us to sign a nuclear safeguards agreement. But it is with all clarity that we reiterate that we have no intention of developing nuclear weapons, nor have we the capability to do so," Yon said.

If North and South Korea jointly declared the Korean peninsula to be a nuclear-weapon-free zone and the nuclear-weapon states neighboring the Korean peninsula legally guaranteed its status, this would remove the danger of nuclear war and help establish a durable peace in Korea, he said.

"We have long proposed the adoption of a non-aggression declaration between the North and South as a direct step for defusing the acute confrontation," Yon said.

Since South and North Korea had joined the United Nations, it was necessary to take steps to dissolve the U.N. Command in South Korea, withdraw the U.S. forces and replace the Korean Armistice Agreement with a peace treaty, he said.

After listening to Yon's address, South Korean diplomats said they found no change in North Korea's overall policy.

Kim Il-song Cited on Allowing Nuclear Inspections

SK0210172491 Seoul KBS-1 Television Network in Korean 1540 GMT 2 Oct 91

[From correspondent Chon Yo-ok in Tokyo]

[Text] Japan's (TBS) television reported that North Korea's President Kim Il-song stated that if inspection of U.S. nuclear facilities stationed in South Korea is carried out then North Korea will also accept nuclear inspection from the International Atomic Energy Agency.

(TBS) television reported on the evening of 2 October that in a meeting with President Kim Il-song while visiting Pyongyang late last month, Mr. (Yasai), president of Japan's (Iwanami) publishing house, revealed that President Kim Il-song said that North Korea was willing to accept nuclear inspection if conditions such as the United States allowing inspections of its nuclear facilities stationed in South Korea are achieved.

This is the first time for Kim Il-song to personally talk about the issue of North Korea's nuclear inspection.

* Changes in North Korean View of Religion Noted

912C0307A Seoul HANGUK ILBO in Korean
20 Aug 91 p 18

[Article by reporter Sin Hyo-sop: "Religious Viewpoint Changing"]

[Text] There are indications that North Korea's view of religion is undergoing a change.

Once understood as something to be "obliterated and expunged," religion is now intentionally being evaluated positively while "dynamic" internal religious activities are even deliberately being publicized.

Such indications had already begun to appear in the late 1980's, but what is attracting attention now is the fact that this year these indications are evolving more systematically and logically and are even being seen as a North Korean move to "formally" recognize religion.

Nonetheless, several divergent interpretations of the North Korean attitude toward religion coexist. We will have to wait and see whether this is a genuine metamorphosis in their view of religion or merely a shift of directions in the prevailing united front tactic. In particular, the interpretation is also emerging that the North Korean moves are a "high-level strategy of using religion for political purposes."

An important change in North Korea's attitude toward religion is discerned in a statement by President Kim Il-song, which the state's Central Broadcasting System publicized on 5 August. The Central Broadcasting System reported on that day that Kim Il-song had delivered a talk to cadres of the Committee for the Peaceful Reunification of the Fatherland and the Pomminnyon (Pan-National Reunification Federation) on 1 August titled "Let Us Achieve the Grand Unity of Our Nation." According to the report, Kim said, "It is very important to have a correct understanding of religion and to do a good job of working with people who believe in a religion." Kim was also said to have stressed that, "We must highly assess the fact that South Korean religious people are struggling self-sacrificingly for the sake of fatherland reunification and we must band together with them."

Concerning this remark, an official of our government assessed that "This is the first time Kim has ever publicly stated a positive view of religion like this," and "North Korea's religious policy may be undergoing an important change."

In addition to Kim's statement, another item of interest is the project to revise North Korea's Choson-mal Sajon or "Korean Language Dictionary." According to reports of our religious figures who have had contacts overseas with North Koreans involved in religious affairs, "North Korea is currently in the process of revising the 'Choson-mal Sajon,' its national language dictionary, which will include changes in the concept of 'religion.'"

The present North Korean Choson-mal Sajon defines religion as "the belief and worship of a supernatural being, a god that is said to rule the world. This is based on a fantastic belief that is preached concerning the natural and social power that rules mankind." Amplifying on this, the definition says that, "Religion is the lamentation of oppressed creatures, the spirit of a heartless world, the soul of an age of lifeless stagnation, and is the opiate of the people." Therefore, how this completely negative concept of religion can be revised is a matter of concern. In this connection, our authorities explain: "North Korea's dictionary revision project is an attempt to lessen the existing internal logical contradictions that exist vis-a-vis its changed external position concerning religion."

This kind of development in North Korea can be linked to the changes in religious policy that began to appear in the latter half of the 1980's. North Korea at that time opened up Pohyon-sa and other Buddhist temples and began to publicize overseas that it had translated and was publishing the Christian Bible. In November of 1988 North Korea also built a Protestant church in Pongsu-dong in Pyongyang (the name of its present administrative district is Konguk-dong) and a Catholic cathedral in Changchung-dong. In addition, various kinds of religious organizations and activities began to exhibit a new dynamism. One after another there came a visit to the Chinese church in 1985 by the "Korean Christians League," the conducting of ceremonies in observance of Buddha's birthday and Buddha's attainment of wisdom (1989), the creation of the "Korean Catholics' Association," and the formation of a "Council of Men of Religion."

Today a Christian group, the "Korean Christian Followers' Federation" is understood to have approximately 10,000 federation members, and under it are two churches (Pongsu and Pansok) and 200 "home churches," and 20 pastors, and a three-year seminary (the Korean Seminary). Moreover, it is understood that in the "Korean Catholics' Association," a Catholic group, there are some 300 league members but not a single priest, and the "Korean Buddhists' League" includes 10,000-odd "believers," some 300 married Buddhist priests, and 45 Buddhist temples. A Chondogyo [Religion of the Heavenly Way] group, the Chondogyo Central Guidance Committee, is said to have some 800 sites.

So, can this quantitative proliferation of religious activity and Kim Il-song's remarks lead to an acceptance of freedom of religion and religious activities in which the general populace participates?

The fact is there are still a lot of negative angles to the question. One basis for this is the assessment that, to begin with, all of the religious activities that have come to light in North Korea so far are highly propagandistic and are only superficial. This point of view is supported by all the related data: the number of churchgoers, the content of the religious services, the figures for laypersons per Buddhist temple and church, and the propaganda that tries to connect Kim Il-song's chuche thought with Christian logic.

Next, the fact is, North Korea still is refusing to give up its plan to use religion as a part of its "united front."

Recently, things such as the attempt to elevate chuche thought to "Kimilsongism" suggest that—contrary to its outward openness—internally, North Korea is showing even stronger solidarity and tendencies toward isolation.

South To Propose Arms Control Plan to North

SK0310083691 Seoul YONHAP in English 0258 GMT 3 Oct 91

[Text] Seoul, Oct. 3 (YONHAP)—South Korea is to put forward a progressive arms control plan that includes scrapping "excessive" offensive arms at the inter-Korean prime ministers' talks Oct. 22 in Pyongyang, a government official said Thursday.

A progressive and concrete arms control plan was likely to be offered to the North Koreans as expectations for a breakthrough in arms control were heightened by the admission of South and North Korea to the United Nations and the coming withdrawal of tactical nuclear weapons from South Korea, he said.

One proposal would be the establishment of standards for the possession of offensive weapons and scrapping weapons that fell outside those criteria, he said.

Another might be reduction of active duty and reserve forces.

It would be the first time that a South Korean arms control proposal has included abolition of "excessive" weapons such as tanks, field artillery, armored personnel carriers, tactical aircraft and attack helicopters.

The aim is to restrict the ability of both sides to attack each other so as to secure military stability, he said.

Seoul was considering proposing to Pyongyang that they agree not to acquire weapons of mass destruction, either nuclear or chemical, and operate permanent watchdog teams in each other's territory.

In the arms reduction stage, to follow the arms control stage, the government was considering suggesting to North Korea that they reduce weapons and troops in a balanced manner, control offensive operations and ban heavy arms from reserve forces, he said.

Seoul To Propose Resuming N-S Sports Talks

SK0310025491 Seoul YONHAP in English 0159 GMT 3 Oct 91

[Text] Seoul, Oct. 3 (YONHAP)—South Korea will soon propose to North Korea that they resume sports talks this month.

The Sports and Youth Ministry will make the proposal next week because formation of single Korean teams for the Winter Olympics in Albertville, France, in February and for the Summer Olympics in Barcelona, Spain, in July will be difficult if the talks are delayed any further.

North Korea called off the fifth inter-Korean sports talks, scheduled for Aug. 17, after the defection of a member of the national judo team to the South.

The North has turned down repeated calls to resume the talks, demanding that Yi Chang-su, a lightweight bronze medalist at the 1989 world judo championships and silver medalist in the 1990 Beijing Asian Games, be returned.

The Ministry will meet with relevant officials on Friday or Satuday to set a date for the fifth talks to suggest to North Korea next week.

A Ministry official said the date offered would be in October and predicted that there would be little difficulty in reaching an agreement once the talks were held.

South and North Korea sent joint teams to the world table tennis championships in Chiba, Japan, and the world youth football championship in Portugal earlier this year.

They had also agreed to discuss formation of single teams for the Winter and Summer Olympics next year and for the Winter Asian Games in Samjiyon, North Korea, in 1995.

Prime Minister Sees UN as 'Starting Point'

SK0310033491 Seoul YONHAP in English 0237 GMT 3 Oct 91

[Text] Seoul, Oct. 3 (YONHAP)—Prime Minister Chong Won-sik said Thursday he found the anniversary of Korea's foundation more significant since South and North had been formally admitted to the United Nations as it raised hope for reunification and peaceful coexistence.

Admission of both Koreas into the global body was "a starting point" to open a new chapter for ensuring genuine peace on the Korean peninsula and its reunification, he told a ceremony at the Sejong Cultural Center to mark the 4,323rd anniversary of Korea's foundation.

South and North Korea must replace the Armistice Agreement with a peace treaty, make a commitment to substantial arms reductions based on military confidence-building steps and allow a free exchange of people, products and information, he said, quoting the three-point proposal President No Tae-u made to the U.N. General Assembly last month.

Chong called on the governments of South and North Korea to both immediately accept No's proposal and said he hoped their prime ministers would discuss it and reach a consensus when they meet in Pyongyang this month.

National Assembly Speaker Pak Chun-kyu and Chief Justice Kim Duk-chu attended the ceremony.

Ties With Egypt Upgraded to Ambassadorial Level

SK0310014791 Seoul YONHAP in English 0033 GMT 3 Oct 91

[Text] Cairo, Oct. 3 (YONHAP)—Egypt and South Korea agreed to upgrade their relations to ambassadorial level in a foreign ministers meeting Monday in New York, the Egyptian news agency MENA reported Wednesday.

Cairo and Seoul currently maintain consul-general-level relations.

Pressed to comment on the report, an official at the Korean Consulate General said the agreement did not mean the possibility of normalization of relations in the immediate future.

There were similar agreements on several occasions before and the latest one does not specify any date for normalization.

ROK, Burundi Establish Diplomatic Relations

SK0310103991 Seoul YONHAP in English 1021 GMT 3 Oct 91

[Text] Seoul, Oct. 3 (OANA-YONHAP)—South Korea and Burundi established diplomatic ties Thursday, the Foreign Ministry announced Friday.

South Korean Foreign Minister Yi Sang-ok, currently attending the United Nations General Assembly, signed the agreement with his Burudian counterpart Cyprien Mbonimpa in New York, the ministry said. The agreement calls for ambassadorial-level ties.

Burundi already has diplomaitic ties with North Korea since 1973.

The African country is the 150th nation to set up formal ties with South Korea.

Seoul Branch of BCCI Begins Liquidation

SK0310013791 Seoul YONHAP in English 0104 GMT 3 Oct 91

[Text] Seoul, Oct. 3 (YONHAP)—The Seoul branch of the Bank of Credit and Commerce International (BCCI) began formal liquidation proceedings Wednesday.

Depositors or those having claims on the Seoul branch of the scandal-ridden bank have until Dec. 16 to report to the three liquidators.

As BCCI's Seoul Branch has more assets than debts, there will be no problem in the liquidation except for compensating the 73 employees, the liquidators said.

The liquidators plan to meet representatives of BCCI employees Friday to discuss compensation.

The employees have already met with the liquidators three times but there has been no substantial dialogue, sources said.

Goldstar Signs Contract With Libya

SK0210094091 Seoul YONHAP in English 0612 GMT 2 Oct 91

[Text] Seoul, Oct. 3 [date as received] (YONHAP)—Goldstar Co. said Wednesday that it has signed a multi-million-U.S.-dollar turnkey contract with Libya to build a factory with an annual capacity of 700,000 videotape recorders.

Under its contract with the Electronic Industrial Authority, Goldstar will build an 8 million-dollar production plant and supply 70 million dollars of parts over the next five years.

A Goldstar official said the company won the contract in competition with Philips, Thompson and other foreign firms.

The deal gives Goldstar control over workplaces, production processing, product quality and general management.

Deputy Premier Briefs Assembly on Defense Budget

SK0310025691 Seoul YONHAP in English 0122 GMT 3 Oct 91

[Text] Seoul, Oct. 3 (YONHAP)—Deputy Prime Minister Choe Kak-kyu told a National Assembly hearing Wednesday he thought relations between South and North Korea had not improved enough to allow cuts in the defense budget.

Reducing defense spending deserved consideration from a long-term perspective, however, since it accounted for a large portion of the national budget, said Choe, who is also economic planning minister.

He had been asked if the defense budget should be re-examined in light of U.S. President George Bush's sweeping nuclear cuts.

President No To Brief Party Leaders on Issues

SK0310015791 Seoul YONHAP in English 0118 GMT 3 Oct 91

[Text] Seoul, Oct. 3 (YONHAP)—President No Tae-u will invite leaders of the ruling and opposition parties and the three branches of government to a meeting at Chongwadae, his official residence, Friday morning to brief them on his visits to the United Nations and Mexico.

Ruling Democratic Liberal Party Executive Chairman Kim Yong-sam, party co-chairmen Kim Chong-pil and Park Tae-chun, Democratic Party co-leaders Kim Tae-chung and Yi Ki-taek, National Assembly Speaker Pak Chon-kyu, Chief Justice Kim Tok-chu and Prime Minister Chong Won-sik are on the guest list.

It will be the first meeting between leaders of the ruling and opposition camps since the Democratic Party was formed through a merger and there will be an exchange of opinions on inter-Korean relations, unification and nuclear issues.

No is expected to explain the impact of U.S. President George Bush's nuclear initiative on the security situation on the Korean peninsula and on the politico-military situation in northeast Asia.

No is expected to inform the participants that Bush assured him of a continued U.S. commitment to the security of South Korea in a recent letter and that the government is determined to make intensive diplomatic efforts with the United States, Japan and other allies to get North Korea to sign a full-scope nuclear safeguards agreement.

* Kim Tae-chung's Five Closest Aides

912C0289A Seoul CHUGAN CHOSON in Korean 28 Jul 91 pp 12-17

[Article by reporter U Chong-chang: "Who Are the New Democratic Party's So-Called 'Gang of Four'?"]

[Text] NDP [New Democratic Party] President Kim Tae-chung's five closest aides are under fire within the New Democratic Party and being branded as the "gang of five." The criticism is voiced by some of the National Assembly members from the Honam area and the signature group which favors opposition integration, but not by the majority of NDP members. Nevertheless, the fact that the authority of the party president, Kim Tae-chung, who exercises his charismatic authority over his party, is being challenged by a force within the party on account of his closest aides is something out of the ordinary.

In the past NDP National Assembly members appeared to be on guard against these aides by using roundabout expressions, such as "a structural problem of the party," or "a problem involving the operation of the party," or "the undemocratic operation of the party." However, following the city/provincial-level assembly elections, they raised their voice of criticism complaining that party President Kim's closest aides are privatizing the NDP and muddying his "sagacity."

In a letter of secession from the NDP submitted on 29 May, Assemblyman Yi Chol-yong was the first to mention the existence of the "gang of five" and open fire on them. Assemblyman Yi, the author of "Children of the Darkness" and "Kobang Village," mentioned NDP President Kim's five closest friends by name branding them as "the gang of five" who are privatizing the party.

Speaking of his motive for bolting the party, Assemblyman Yi Chol-yong said: "In leading the party, party President Kim is listening to no one but Kwon No-kap, special assistant for party affairs; Secretary General Kim Pong-ho; Deputy Secretary General Kim Ok-tu; Supreme Council member Yi Yong-hui; and Choe Chae-sung, adviser to the party president. Does anyone expect that the opposition can take over the reigns of government under these circumstances? Anyone who says a right thing to the party president is treated like an oddball. Under these circumstances, I think it is better for me to leave the party."

In the days of the PPD [Party for Peace and Democracy], the words "the gang of three" or "the gang of four" were heard only by hearsay, but now Assemblyman Yi named the "gang of five" by name. In this sense, his criticism of party President Kim's closest aides was a considerable shock. However, the question of "the gang of five" was eclipsed by the successive cessation from the party of Assemblyman Kim Kil-kwon on 30 May and of Assemblyman Yi Hae-chan on the following day, on the heels of Assemblyman Yi's cessation. Moreover, it seemed that the matter would blow over without much ado because the city/provincial assembly elections were around the corner.

"Obstacles Within the Party"

But, with the provincial level election ending in the NDP's defeat and with Kim Tae-chung's leadership structure remaining unchanged following the local elections, the question of the "gang of five" has been revived. The Political Development Research Society, the gathering of the signature group within the NDP, came out with a strong demand for a structural change of the party when the Society opened its office on 15 July. In its letters of invitation, the Society made it clear that the purpose of its inauguration is to "realize a grand integration of all democratic forces and the democratization of the party," and in the statement of inauguration, it criticized some of party President Kim's closest aides by using the expression "obstacles within the party."

The Political Development Research Society, however, did not specify who are the "obstacles within the party."

But, people associated with this research society say that the gang of five referred to by Assemblyman Yi Chol-yong are naturally included in the "obstacle."

The current membership of the Political Development Research Society includes the following nine incumbent assemblymen: No Sung-hwan, Cho I-hyong, Chong Tae-chol, Yi Sang-su, Pak Sil, Kim Chong-wan, Kim Tok-kyu, Kim Tuk-su, and Yi Hyong-pae. It also includes these five ex-assemblymen: Han Yong-su, O Hong-sok, Chang Chung-chun, Yu Yong-kun, and Chong Chin-kil. Officials of this society said the membership is expected to increase to 25, including three or four more incumbent assemblymen.

Assemblyman No Sung-hwan, chairman of this society, is serving his fifth term as a National Assembly member and is a member of the party Supreme Council. Assemblyman Cho I Hyong, a member of the society, is vice speaker of the National Assembly, the post assigned for the NDP. Assemblyman Chong Tae-chol is regarded as one of the potential next-generation presidential candidates. Assemblyman Yi Sang-su enjoys such deep trust of party President Kim that he was chosen as party spokesman shortly after he was elected in the 26 April 1988 general election for the first time. Assemblyman Kim Chong-wan, executive chairman of the Research Association for Democratic Constitutional Government, is known as the veteran organizer for Tonggyodong [Kim Tae-chung's residence]. Assemblymen Pak Sil and Kim Tok-kyu are veteran parliamentarians from Seoul. Assemblyman Kim Tuk-su has been returned twice from the Iksan electoral district in North Cholla Province. Non-assemblymen Han Yong-su, O Hong-sok, and Chang Chung-chun are members of the party Affairs Committee.

Those who have enjoyed the full trust of party President Kim, or who are National Assembly members from the Honam area, the NDP's electoral power base, have banded together to demand a restructuring of the party, and this very fact is indicative of the gravity of problems involving the operation of the NDP.

The Political Development Research Society has decided that it will watch for now the activities of the "Party Development Research Committee" aimed at intraparty democratization, one of the four special committees party President Kim newly organized on 26 June, following the local assembly elections, and that if there are still no signs of improvement in party operation, the society will take the lead in a move to remove the undemocratic elements within the party, including "the gang of five" who pull the strings behind the party president.

Nevertheless, there is considerable criticism within the party against the members of the Political Development Research Society itself. Some adversaries point out that their demand for intraparty democracy is nothing but an excuse, and in reality, they have organized their society out of their uncertainty as to whether they would be able to get returned in the 14th general election on the NDP ticket. These adversaries say that the genuineness of their motive is doubtful in view of the fact that they cannot even open their mouths before party President Kim and absented themselves from party meetings.

What sort of people are the "gang of five" and "new intimates" who are becoming the subject of controversy within the NDP after all? What role are they playing in party President Kim's inner circles? And what are the reasons that they are being criticized within the party?

Of the "gang of five" referred to by Assemblyman Yi Chol-yong, the ones who are particularly marked as the principal target of criticism are Kwon No-kap, special assistant to the party president; Secretary General Kim Ok-tu; and Assistant Secretary General Choe Chae-sung. Most of the NDP National Assembly members and party officials branded the trio as the "gang of three," separate from the "gang of five", on the ground that these three as the core of the "gang of five" are leading the party in an undemocratic way. Formerly, Han Hwa-kap (vice chairman of the NDP International Affairs Committee) was among the "gang of three" along with Kwon and Kim. But as the influence of Choe Chae-sung waxed as special assistant to the party president, he replaced Han as a member of the "gang of three."

Kwon No-kap, 61, one of the "gang of three," is often called party President Kim's alter ego although he is a freshman National Assembly member. He was chosen as party President Kim's secretary when the latter ran in a by-election in Inje District, Kangwon Province, in May 1961; and Kwon has never left Kim Tae-chung in the 30 years since then. Kwon has always been with party President Kim, imprisoned and tortured whenever Kim was imprisoned and tortured. For this reason, no one knows the inner mind of party President Kim better than Kwon.

Kwon No-kap graduated from Mokpo Senior Commercial School and the Tongguk University College of Economics and completed the Graduate School of Business Administration. He is five years junior to Kim Tae-chung as a Mokpo Senior Commercial School alumnus. At one time, Kwon taught English at Mokpo Girls' High School. After going through his career successively as one of the promoters for the inauguration of the NDP, as chief secretary to the party president, and as chairman of the Mokpo District party chapter, Kwon was returned in the 13th general election.

Fund Raiser for Party President

Kwon's principal role is to raise funds for party President Kim. When the 200 million won received from Hanbo in the Sosu scandal became an issue, he succeeded in raising 200 million won in two days and returned the money to Hanbo. This illustrates his superb fund-raising ability. He also has the power to select party bureaucrats, such as department and bureau directors. He enjoys such undivided trust of the party president that even sophomore or senior NDP National Assembly members call him "big brother."

Kwon caused trouble to his party when he was the only politician mentioned in the scandal involving the parceling out of the Lotte subway arcade in the Yondungpo Station and when he became a subject of gossip in connection with the Sosu scandal. He is being criticized for having his fingers in too many things; still there is no change in his position in the party.

Kim Ok-tu, 52, is assistant secretary general for organization. As may be apparent from his function, he is known to be an "organizational wizard." Since the establishment of his connection with Kim Tae-chung in his capacity as member of the Tonggyodong-affiliated Korea Institute on Domestic and Foreign Affairs in February 1966, he has served as secretary for domestic politics, protocol, and information, and secretary in attendance whenever the party president went on a trip.

Even today he calls Kim Tae-chung "our teacher" publicly and privately, and when he conveys Kim Tae-chung's remarks, he says "our president said...." Thus he is known to be "the only party official who still calls Kim Tae-chung 'teacher.'" He is famous for the unrivaled muscle strength of his arms. During Kim Tae-chung's outdoor activity, Kim Ok-tu accompanies him like a shadow and plays a role as a security guard as well.

Kim Ok-tu, a native of Changhung, South Cholla Province, graduated from the Electricity Department of Mokpo University of Oceanology. Originally, his name was included on the NDP ticket for the candidates for the 13th general election from the National Constituency, but he was later disqualified because his civil rights had not been restored in time. Now his rights have virtually been restored and he plans to run for the 14th general election from Tobong District in Seoul. According to rumors, when Tobong District is subdivided, he will run from one of the sub-divisions; otherwise he will run against Assemblyman Yi Chol-yong, who has just bolted the party, in the latter's turf.

In view of the fact that Assemblyman Kwon and Kim Ok-tu shared the same ordeals with Kim Tae-chung, the two are said the "defenders of Tonggyodong to the last." In this sense, they are known as the closest of all close intimates of Kim Tae-chung.

As for Cho Chae-sung, 47, adviser to the party president, on the other hand, the history of his ties with Kim Tae-chung is not so long. Choe joined Tonggyodong upon recommendation of Kim Hong-il, Kim Tae-chung's oldest son, prior to the presidential election in 1987. He is a graduate of the Kyonghui University Department of Political Science and Foreign Relations, and senior to Kim Hong-il in the same university. He has not been serving as Kim Tae-chung's aide too long, but he has been assisting the party president in the closest circles since 1987. Because he sets up the schedule for Kim Tae-chung, he is virtually serving as protocol secretary for the NDP president. Anyone desiring to meet Kim Tae-chung has to go through Choe Chae-sung. Depending on the judgment of Choe, a meeting with the party president is arranged or denied. His function being so important, he receives the same treatment as is accorded to veteran National Assembly members, although he is not a National Assembly member himself. He is known as a man who knows the inner mind of Kim Tae-chung, the party president, better than anyone else and who is very prudent in handling matters.

Secret Emissary Between NDP, Chongwadae

Party officials call Choe Chae-sung and Kwon No-kap a "fantastic combination." This is because if Assemblyman Kwon is the pipeline for fund raising, party presidential aide Choe plays the role of the valve which appropriates the collected funds to proper purposes. Choe is said to be spending a considerable amount of money to improve party President Kim's image. It is for this reason that he has earned the nickname "Golden House."

It may be because of his strong influence that much of Choe's personal history is shrouded in secrecy, and very few are inquisitive about it. His hometown is Iri, North Cholla Province, and he worked in a hospital after graduation. This is about all that is known of his personal history. Some say that he worked with Kim Hong-il in the United Youth Fraternity for Democracy (Yonchong); and others say that he had had no political experience before joining Tonggyodong. Some speculate that Choe's meticulousness comes from his experience as an intelligence officer in the army.

He gains a high score for his steadiness and sincerity. Except when talking with an intimate, he does not talk much. Reportedly, he plans to run for the 14th general election from Iksan, North Cholla Province.

Iksan being the electoral base of Ki Tuk-su, who is a member of the Political Development Research Society and a sophomore assemblyman, a showdown between these two will draw attention.

In addition to the aforementioned three, Kim Pong-ho and Yi Yong-hui are among the "gang of five."

Party Secretary General Kim Pong-ho, 58, was promoted to his current position on 19 December last year from chairman of the Committee on National Assembly Proceedings. Formerly, he served as a deputy to the National Conference for Reunification and as a Republican Party assemblyman of the 10th National Assembly. He joined the Tonggyodong hierarchy one month after he was returned in the 12 February 1985 general election as member of the New Politics Socialist Party. That was the first time he established personal ties with Kim Tae-chung. He walked a relatively smooth path except when he was once subject to political restraints during the 11th National Assembly. NDP officials who are not National Assembly members are dissatisfied with Secretary General Kim's career background.

Kim Pong-ho collected more than 3 billion won in special party fees during the recent city/provincial level assembly elections, thereby winning the immense trust of Kim Tae-chung. There is a rumor that when Kim Tae-chung meets his secretary general privately, he often tells him, "Who else do you think I will entrust with party powers but you?" This rumor originates in Kim Tae-chung's inner circles. Although his ties with Kim Tae-chung were belatedly established, he enjoys the relatively profound trust of the party president.

Yi Yong-hui, 60, member of the NDP Supreme Council, is on familiar terms with Kim Tae-chung, the party president, to the extent that the former calls the latter "big brother." He is the type of man who never gives up. At the age of 29, he ran for the Fifth National Assembly for the first time, and subsequently suffered four straight losses before becoming a member of the Ninth National Assembly. A man of resources, he discusses all matters with Kim Tae-chung as his strategist. They say the idea of inaugurating the New Democratic Union, namely, the NDP, was his. Being a native of Yochon, North Chungchong Province, he has a "rarity value" for the party, [which is predominantly made up of people from the Honam area]. Although not a member of the National Assembly, he is reportedly playing a role as a secret emissary going back and forth between the NDP and Chongwadae.

These five closest aides of party President Kim aroused controversy within the party in the process of party nomination for the base-level and city/provincial-level assembly elections, and particularly prior to the city/provincial-level assembly elections, they were under investigation by the Public Prosecutors Office, thereby greatly tarnishing the image of the party.

Nomination of Local Election Candidates Investigated

A Mokpo resident who had been Kim Tae-chung's fellow traveler for over 20 years before being expelled from the NDP explained the reasons for his expulsion as follows:

"I had worked as a campaigner for party President Kim Tae-chung during the three presidential elections and the 1988 general election before I was elected to the National Assembly from Mokpo. On the eve of the base-level local assembly election, Assemblyman Kwon No-kap called me on the phone at about 0100. He told me to see that a certain person was elected as speaker of the local assembly. I pointed out that the man whom Mr. Kwon mentioned became rich by taking advantage of his position in the ruling camp for a long time, and that he is not a man in the opposition camp. I told Mr. Kwon that I could hardly comply because the people of Mokpo would not accept him. But Mr. Kwon pressed me hard to obey his instruction. He called me three times during the night, but I declined. He then threatened to fire me as district party chapter chairman. I was expelled from the NDP in the end. I was disenchanted by the NDP in which a man like Kwon is a close aide to the party president. From now on, I will work conscientiously in my capacity as a local assembly member."

Local NDP members held a demonstration against Assemblyman Kwon at the out-of-city bus terminal in Mokpo on 1 June. They shouted the slogan, "Assemblyman Kwon, you should step down" through a microphone installed on a mini-van. Mokpo is where party President Kim went to school, and it is his strongest power base in the Honam area. Assemblyman Kwon hails from Mokpo.

Choe Chae-sung, adviser to the party president, also recommended pro-ruling party personages as candidates from Iksan, North Cholla Province, for provincial level assembly elections, without regard to the opinion of the chairman of the district party chapter (Kim Tuk-su). Thereupon, members of the district party chapter called at the NDP headquarters in Seoul to voice their grievances, noisily criticizing the heavy-handedness of Choe Chae-sung. Secretary General Kim Pong-ho was humiliated when he was under investigation by the Public Prosecutors Office in connection with the nomination of local assembly candidates from Chindo, his own district party chapter.

In the wake of this noise of dissent in the party, there have been various happenings. For instance, an NDP member who was elected to the Kwangju municipal assembly recently held a press conference to announce his decision to turn down his election. In North Cholla Province, prior to the election of the local assembly speaker, party heavyweights went down to the field to choose a candidate through consultation, but the result of the vote was 22 against the candidate so chosen, out of the total of 51 votes cast.

A national assemblyman belonging to the Political Development Research Society explained the motive behind the inauguration of this society as follows:

"In an effort to prevent the closest aides to party President Kim from leaving the rest far behind, we called on him in order to point out the problems involved. At this meeting, party President Kim Tae-chung gave this assurance: Will you wait until the city/provincial level assembly elections are over? I am well aware that chances for my being elected in the presidential race will be slim if the integration of the opposition camp is not realized. When the city/provincial level assembly elections are over, I plan to restructure the party leadership structure and embark upon achieving the integration of the 'pan-opposition forces.' Trusting this assurance of the party president, we, assemblymen of the signature group, decided to exercise self-restraint in our behavior. But, Assemblyman Yi Kyo-song bolted the party, saying he could not trust that assurance. Things did not change a bit afterwards. That is why we inaugurated the Political Development Research Society."

"5 Pillars of the NDP"

The voice calling for the restructuring of the party leadership is loud with the Political Development Research Society at the center of the move. But the voice critical of this society is also mounting within the party. An NDP source said that some people are criticizing some of the closest aides to the party president, but these critics are opportunists whose sole concern is how to get elected. He added that every NDP member knows how devotedly the five aides including Assemblyman Kwon No-kap and Assistant Secretary General Kim Ok-tu have worked for party President Kim, and that they are not a gang of five but the five pillars of the NDP.

Referring to the criticism by some that Choe Chae-sung, adviser to the party president, is leaving the rest far behind, the same source asked, "with what authority can Choe rein in members of the National Assembly, a branch of government under the constitution?" He then stressed that the reason Choe Chae-sung refused to arrange for those assemblymen to meet the party president is probably that they had done something wrong by which they forfeited an opportunity to meet the president. The source pointed out that politics through aides cannot be brushed aside as a totally negative thing, but it has two sides to it, namely, adversary as well as proper functions. People will understand the behavior of the aides if they consider the position of Tonggyodong, where Kim Tae-chung was placed under house arrest for so many years, with intelligence agents constantly watching the inside of his home from an observation post set up outside.

Whether the existence of the "gang of five" will be beneficial or harmful to the NDP will be decided by the votes of people in the 14th general election, the presidential election, and the elections of the heads of local governments.

* Kim Yun-hwan's Political Status Assessed

912C0277A Seoul IRYO SINMUN in Korean
7 Jul 91 p 4

[Article by journalist Chong Pin: "Can Kim Yun-hwan Become the Next President?"]

[Text] Can Kim Yun-hwan, secretary general of the ruling Democratic Liberal Party [DLP], become the next president?

Various sources are saying that the political status of Kim Yun-hwan, who played a major role as the DLP's election commander in bringing a sweeping victory to the DLP in the election of the large-district local self-government's assemblymen, has been significantly enhanced. In view of the fact that politics always starts from dynamic relations of reality, the result of the election of the local assemblymen will be a starting point of the political structure of the late 1990's.

Support Campaign in Inchon a Big Success

There were six leading senior politicians who swept the nation, engaging in campaigns in support of the candidates from their own political parties in the election of the local assemblymen. They are the three Kims [Kim Yong-sam and Kim Chong-pil of the DLP, and Kim Tae-chung of the Party for Peace and Democracy (PPD)]; Pak Tae-chun, DLP co-chairman; Kim Yun-hwan, DLP secretary general; and Yi Ki-taek, president of the Democratic Party [DP]. The main reason for the six senior politicians' support campaign was that the result of the election will affect their own political careers to some extent. Although the election of the local assemblymen does not affect the number of national assemblymen, it was considered to be a very good occasion to test the influence of each political party and politician.

With the landslide victory of the ruling DLP, Kim Tae-chung and Yi Ki-taek, the two presidents of the leading opposition parties, PPD and DP, respectively, are facing internal challenges from their own parties. Among the four DLP players who made significant contributions to the victory, the executive chairman Kim Yong-sam and secretary general Kim Yun-hwan seem to be getting more glory than the other two.

Kim Chong-pil, co-chairman of the DLP, barely defended the position of favorite son in the Chungchong Namdo area, where his political basis prevails, after going through a ceremony of burning Kim Tae-chung in effigy in his hometown of Puyo.

Although Pak Tae-chun, another co-chairman of the DLP, played a pivotal role in the victory of one DLP candidate from east Kwangyang district in South Cholla Province, where the leading opposition party PPD absolutely prevailed, his visit to Cholla provinces is considered to be nothing more than a courtesy visit. On the other hand, Pak's visit to the Taegu area, which is the heart of the current political power, is considered to have political significance.

Under the current political environment, those who have no strong regional root can only have a limited political influence. Pak Tae-chun, who does not have a strong regional political root, made a significant first step in Taegu, the hometown of the current political power.

Kim Yong-sam's activities during the election of the large-district local self-government's assemblymen were eventful. Wherever he visited in the provincial capitals, including Kangnung, Wonju, Chongju, Masan, Ulsan, and Pusan, local DLP party chairmen introduced him to the party members with generous compliments, that proved Kim's significance as a possible presidential candidate. The same was true when he visited Kwangju and Chonju, the heart of the leading opposition power, at the last minute of the election. Mun Chun-sik, local DLP party chairman, even made a remark that sounded like a loyal oath to Kim Yong-sam in the solemn atmosphere.

Kim Yun-hwan, DLP secretary general, visited only two areas; North Kyongsang Province and the city of Inchon. In Inchon, the ruling party was worried about a total loss in the election since there was a single opposition party candidate in each of the 27 election districts. Contrary to the original expectation that they might win less than half of the total of 27 seats, the DLP won 21 seats. Inchon and Seoul are the two areas where the DLP unexpectedly won many seats.

Kim Yun-hwan's visit to North Kyongsang Province was also significant. During his four-day, three-night visit, he is known to have had some success in unifying the old and new so-called TK factions [TK represents a power group consisting of alumni of the Kyongbuk High School located in Taegu, including President No]. During his visit, he made public promises to many current national assemblymen for nominations for the next general election and for important positions in the party. His behavior, which was different from before, was interpreted as a shrewd political tactic in consideration of the local party members.

Such political promises were considered to be possible only after the two powerful politicians from this area, current Youth and Sports Minister Pak Chol-on and former National Assemblyman Chong Ho-yong, are removed from politics. Kim Yun-hwan, however, is considered to have taken advantage of the first official opportunity to enhance his political image.

Kim even showed some generosity by willingly accepting the suggestion from his political senior Pak Tae-chun that Pak would like to visit all seven regional districts in the Taegu area, rather than only half as originally planned. Kim, in return for his favor to Pak, properly exercised his influence to nomination hopefuls in the next general election.

Although Kim's four-day visit to Taegu starting from 30 June was superficially known as accompanying his wife on a sightseeing visit, it has much more significance than mere sightseeing.

Speaking in terms of horse-racing terminology, June, the election month of the large-district local assemblymen, corresponds to the sharpest turn of the third corner.

Aside from the result of the June election, Kim Yun-hwan has been one of the fastest rising stars recently. His political career started with being a national assemblyman from Yuchonghwe Party in 1979, one year earlier than Yi Chong-chan, his potential rival from the Democratic Party. While DLP executive chairman Kim Yong-sam is trying to rebound his political career after reaching the bottom with the general election on 26 April 1988, with a peak in 1987, Kim Yun-hwan's political career is continuously on the rise.

Kim Yun-hwan's Career Started From National Assemblyman From Yuchonghwe

As is well known, Kim Yun-hwan's political capacity started to bloom in the area of coordination and negotiation. He is clearly not like ordinary politicians who have grown by overcoming many hardships. He started to appear in the political arena as a coordinator with a special relationship as a friend of both the Fifth and Sixth Republic's presidents, Chon Tu-hwan and No Tae-u, respectively.

The first opportunity was given to him as the presidential secretary general right after the 29 June declaration. He carried out the transition almost perfectly. The second opportunity was given as the ruling party's floor leader in the Sixth Republic. For the first time in the history of the Korean National Assembly, the number of the national assemblymen of the ruling party in the Sixth Republic was smaller than that of the opposition parties. As the floor leader of such a weak ruling party, Kim had to negotiate extensively with his own party members as well as with the opposition party members. It was almost impossible to satisfy the three opposition parties having larger number of national assemblymen, different factions within the then-ruling Democratic Justice Party [DJP], and the presidential staff members in Chongwadae.

Although he was left out of the mainstream at the early stage of merging the three parties to become the current ruling DLP, he was appointed to important positions later on. Although he called himself the trainee under YS [Kim Yong-sam's nickname], he has been receiving strong support from YS.

The current position of the DLP secretary general is different from his previous career in many respects. Since the mid 1980's, he served as the ruling party's floor leader twice, first minister of state for political affairs twice, presidential secretary general, and the current position of the DLP secretary general. All of these positions could not have been possible without the president's trust.

The first three positions required a great degree of dialogue and coordination and the position of secretary general required a leadership personality. He changed his career from a staff position that can act on an individual basis to a position that controls a big family.

Friendship With YS Enhanced His Political Importance

As he described himself, he was so lucky to have concluded the election of the large-district local assemblymen on 20 June 1991 with a complete victory to the ruling party. The political realignment of the so-called TK faction national assemblymen to his favor, that he made during the election, will be an element that will give him a significance to his future direction. Regardless of who becomes the next president, he earned a qualification to represent the Taegu area, the heart of the current political power. This means that his weight as politician became substantially more important.

Kim's accomplishment in Taegu is considered to have relieved him from some of his complex that he has grown as a politician with a strong backing from the Chongwadae. Kim Yun-hwan's political enhancement started when he met YS, one of the two pivots of the current political structure, No and the two Kims [Kim Yong-sam and Kim Tae-chung].

Kim Yun-hwan is categorized as a proponent of YS among the former Democratic Justice Party faction within the DLP. He does not deny the mutual interests between YS and himself.

On the one hand, he made his principle known by saying that "The era of the three Kims [Kim Yong-sam, Kim Tae-chung, and Kim Chong-pil] should end." When considering the reality, however, he has been saying that "Since Kim Yong-sam joined the ruling party, an appropriate plan should be prepared for him to the extent that it does not shake up the party's existing order."

Based on his principle, he has been carrying out his role as a middleman who respects the existence and opinion of Kim Yong-sam. This was the cause of the criticism by some of the former Democratic Justice Party and the New Democratic Republican Party factions within the DLP. They say that "Kim Yun-hwan will be running for presidency," or "He must have gotten some promise from YS."

The fall of Pak Chol-on, who was considered to be one of the four presidential candidates, at the same time as when Kim Yun-hwan was nominated to be secretary general seems to reinforce Kim's political significance.

It is analyzed that a substantial number of national assemblymen who are pro-Pak Chol-on are joining Kim Yun-hwan's camp rather than YS's. In addition to this, his incumbent power as secretary general and strong trust from President No enhance his image as a potential candidate for presidency. President No's confidence in him was indicated when he called Kim to Chongwadae for some discussions right before his visit to the United States.

Strong Trust From President No

President No's continued faith in him and the fall of the two strong men of the TK faction, Pak Chol-on and Chong Ho-yong, made Kim Yun-hwan leader of the TK power. Furthermore, his political friendship with YS and his incumbent power as the ruling party's secretary general enhance his political significance.

What remains to be seen is his own determination to be a presidential candidate. It appears that he has started building his own empire to a certain extent. Does this mean that he is planning for presidential candidacy, as is known to be a routine path in the past to build up an empire in preparation for the presidency?

He is facing the first turning point in his political career. So far, he has successfully performed his roles as a brain and mid-level boss. At some point, he has to make a decision on whether he is interested in the presidency. Then those who have money will make contributions for his political activities.

It is premature to predict how Kim Yun-hwan's political career will turn out. It is being noticed that he is trying to convert himself from a support staff to a politician with real weight by widening his power base. As a result, it is known that there are already some actions to limit his efforts by high-level DLP members such as DLP Co-chairman Pak Tae-chun.

It is analyzed that Kim's future political career, however, is forced to depend more on external factors than on his own determination.

The two Kims' [Kim Yong-sam and Kim Tae-chung] efforts to remain as the only presidential candidates appear to be strong, as indicated in their meeting in Kwangju on 1 July. If the two Kims successfully remain as the only presidential candidates until the next election, Kim Yun-hwan has no choice but to faithfully perform his role as a middleman. In that case, he will be the second man at best. Kim Yun-hwan himself does not complain about such a role.

If, on the other hand, the structure of the two-Kims' candidacy falls apart, for example, by one Kim's fall and the other Kim's decline, Kim Yun-hwan might fill their positions. Compared to Assemblyman Yi Chong-chan, who is somewhat behind President No in the context of political dynamics but has strong support from the people, and DLP Co-chairman Pak Tae-chun, who was hand-picked by President No as a manager of the DJP faction assemblymen, the circumstances that surround Kim Yun-hwan are also significant. It is because he has a strong trust from the president and because he is a civilian.

Burma

Yunnan Official Signs Documents on Cooperation

BK0210143591 Rangoon Burma Television Network in Burmese 1330 GMT 2 Oct 91

[Text] A delegation headed by Mr. Jin Renqing, deputy governor of Yunnan Province, left Yangon [Rangoon] by air this afternoon. The delegation was seen off at Yangon airport by U Kyaw Aye, director general of the State Law and Order Restoration Council Office; U Khin Maung Yin, managing director of the Public Construction Enterprise and deputy leader of the Myanmar [Burma]-Chinese Mutual Cooperation Consultative Group on construction of highways in Myanmar; responsible officials of the Ministry of Foreign Affairs; Mr. Liang Feng, PRC ambassador to Myanmar; and staff members of the PRC Embassy.

At 1030, the Yunnan delegation headed by Mr. Jin Renqing held talks at the Foreign Ministry Annex with members of the Myanmar-Chinese Mutual Cooperation Consultative Group on the construction of highways in Myanmar and signed two memoranda of discussion.

The document on economic and trade cooperation between Yunnan and Myanmar was signed by U Maung Maung Kyaw, director general of the Trade Department, and the other document on cooperation in the field of communications and electrical power generation was signed by U Khin Maung Yin, managing director of the Public Construction Enterprise. For the Yunnan side, the document was signed by Mr. Jin Renqing, deputy governor of Yunnan Province.

Army Reports Surrenders by Insurgents 17-30 Aug

BK0210144791 Rangoon Burma Television Network in Burmese 1330 GMT 2 Oct 91

[Text] People belonging to various terrorist insurgent organizations who have come to realize their wrongdoing have been giving up their armed struggle and surrendering at different Army camps with arms and ammunition. Accordingly, the following surrenders took place from 17-30 August 1991:

Northeast Military Command: Private Kha Taung of the terrorist insurgent Kachin Independence Army [KIA's] 12th Battalion surrendered to a military column under the 113d Light Infantry Regiment. Pvt. Lauk Ea of the 8th Battalion gave himself up to the anti-insurgent militia of Pangse.

Southeast Military Command: Clerk Soe Naing of the terrorist insurgent Karen National Union [KNU's] 6th Brigade surrendered at Myawadi garrison. Pvt. Win Myint of the 16th Battalion gave himself up with one M-16 automatic rifle at Kya-taung-Kya-in camp. Pvts. Myint Shein, Soe Win, Tin Than, and Oh Than of the 10th Battalion surrendered at Mergui Garrison. Pvt. Hla Maung, in charge of Thaton Township, surrendered at Taunggale camp. Pvt. Kyaw Swe, alias Phone Ngwe, and Lance Corporal Thant Zin U of the terrorist insurgent ABSDF's [All Burma Students' Democratic Front] 207th Battalion gave himself up with four AK-47's at Myawadi garrison. Pvt. Tun Thet of the 201st Battalion surrendered at Mergui. Company Sergeant Sann Aung of the 102d Battalion surrendered to the garrison in Pa-an.

Pvt. Tin Htay of the Burma Communist Party, Tenasserim Division, surrendered to Mergui garrison.

Southern Military Command: Pvts. Than Hlaing and Po Shan of the terrorist insurgent KNU's 2d Brigade surrendered in Toungoo.

Northwest Military Command: Pvts. Nyi Nyi Naing and Ma Thandar of the ABSDF's 701st Battalion surrendered to Kawlin Township Law and Order Restoration Council.

Northern Military Command: Pvt. Maung Pyu of the terrorist insurgent KIA's 5th Battalion gave himself up to the Shwegu garrison through the Shwegu Township Law and Order Restoration Council. Pvt. Luang Ze of the KIA's 6th Battalion surrendered in Myitkyina.

Eastern Military Command: Pvt. Aik Hla of the terrorist insurgent Shan United Army surrendered with one M-22 automatic rifle in Mong Tong.

Yangon Military Command: Pvt. Myo Aung of the ABSDF's 701st Battalion gave himself up to the Yangon Division People's Police Force.

A total of 23d terrorist insurgents came back to the legal fold between 17 and 30 August. Hence, there were a total of 67 insurgents who surrendered between 27 July and 30 August.

These people who had come back after realizing the truth and giving up the armed struggle were warmly received by the responsible officials of the camps concerned.

Brunei, Malaysia, & Singapore

Malaysia

Japanese Emperor, Empress Conclude State Visit

BK0310040691 Kuala Lumpur BERNAMA in English 0345 GMT 3 Oct 91

[Text] Kuala Lumpur, Oct 3 (OANA/BERNAMA)—Emperor Akihito and Empress Michiko ended their four-day state visit to Malaysia Thursday and left for Indonesia on the last leg of their Southeast Asian tour.

Before leaving for the Kuala Lumpur international airport, their majesties called on the Malaysian Yang Di-Pertuan Agong (king) Sultan Azlan Shah and Raja Permaisuri Agong (queen) Tuanku Bainun at Istana Negara [State Palace] to bid them farewell.

They were accompanied from Carcosa Seri Negara [State Guest House] to the Istana by Prime Minister Dr. Mahathir Mohamed and his wife Dr. Siti Hasmah Mohamed Ali.

From the Istana, the royal couple left for the airport with the prime minister and his wife.

Also at the airport to bid the Japanese emperor and empress farewell were Minister of Primary Industries Dr. Lim Keng Yaik, who is Minister-in-Attendance, and Acting Foreign Minister Abu Hassan Omar.

Emperor Akihito and Empress Michiko arrived here on Monday from Thailand, the first stop in their 12-day goodwill tour of the three countries.

Mahathir Says Visit Enhances Ties

BK0310053491 Kuala Lumpur BERNAMA in English 0506 GMT 3 Oct 91

[Text] Kuala Lumpur, Oct 3 (OANA/BERNAMA)—The visit of Emperor Akihito and Empress Michiko to the country has contributed greatly towards Malaysia-Japan relations and between the peoples of both countries, Malaysian Prime Minister Dr. Mahathir Mohamed said Thursday.

The royal couple now had a better understanding of the sensitivity and perception of Malaysia and its people towards Japan, he told reporters at the Kuala Lumpur International Airport.

He earlier bade farewell to their majesties at the end of their four-day state visit here.

Dr. Mahathir also said that Emperor Akihito had given his pledge to assist in promoting integration between the two countries.

Asked whether Emperor Akihito's visit would open up more business opportunities between Malaysia and Japan, the prime minister said: "That I do not know, but there will most likely be an increase in Japanese investments in view of our good relations with that country."

Editorial Notes Significance of Emperor's Visit

BK0210115991 Kuala Lumpur NEW STRAITS TIMES in English 1 Oct 91 p 10

[Editorial: "To Our Friendship With Japan"]

[Text] Their Majesties Emperor Akihito and Empress Michiko arrived in Malaysia yesterday. It is a visit of special significance, not only because it is the Emperor Akihito's first tour (a three-nation tour of Southeast Asia, comprising Thailand, Malaysia and Indonesia) outside Japan.

It is of political, historical and diplomatic importance. It speaks of friendship and is aimed at cultivating closer people-to-people ties with the countries of this region. And the Japanese Constitution states among others that the Emperor derives his position from "the will of the people with whom resides sovereign power."

But it attains that extraordinary significance when one learns from novelist-historian Shumon Muira that the Emperor is a strong part of the Japanese subconscious and as a person is close to the heart of his people. Emperor Akihito himself has spoken of the "spiritual bonds" that have been forged between the Imperial household and the people of Japan. And it is this embodiment of a spiritual relationship between the Emperor and his people that gives this visit a spiritual significance.

The past belongs in the past. Let us not mar this visit with any bitter old ghosts or any resurrection of the past. This visit belongs to the future. It is a new beginning. In this spirit and in this light, the hand of friendship should be warmly accepted and shaken. The opportunity for Malaysia to foster a closer and stronger bilateral relationship and understanding with Japan should be embraced wholeheartedly.

Prime Minister Datuk Sri Dr Mahathir Mohamed was responsible for turning our nation eastwards, towards Japan, and since then there has been no looking back, with Japan's technical cooperation, assistance and investment in Malaysia being prominent in all sectors of economic development. In fact Japan was one of the first few countries to invest in and export from Malaysia to the rest of the world on a grand scale.

The last decade has seen great growth in bilateral trade between Japan and Malaysia. Datuk Sri Dr Mahathir Mohamed upon congratulating the Malaysia-Japan Economic Association and the Japan-Malaysia Economic Association at their annual conference, had added that "Your activities have transformed policies and expressions of friendship into a meaningful reality." This "Look East" trend continues today with Japanese being promoted as a valuable second language.

As the Prime Minister realised, there are valuable lessons to be learnt from the Japanese work ethic. To work for the common benefit to others instead of being selfishly focused on one's own gain and profit. The stress on diligence, discipline, quality and on being the best. These attitudes will ensure that we achieve our 2020 objective.

Prior to leaving Tokyo, Emperor Akihito had said that he would try to convey the image of Japan as a peaceful nation during his 11-day visit to the region. This being another aim that Japan has in common with Southeast Asia. The hope that peace will continue to reign in the region. Already the region has been touted as one that will be *the* area (sometimes vaguely referred to as the Pacific-Rim) to watch for economic combustion in the next decade. Peace must be present if all that peppery economic activity is to take place.

Indeed closer ties and friendship with Japan hold many wonderful connotations for our country as well as for our region.

Cambodia

Communist Party Said To Change Name, Policies

*BK0210124891 Hong Kong AFP in English
1244 GMT 2 Oct 91*

[Text] Phnom Penh, Oct 2 (AFP)—Cambodia's communist party has changed its name and drawn up liberal reforms that have only to be rubber-stamped, political sources said Wednesday.

It's not that communism is dead in this country supported by a Vietnamese regime since 1979. The party is aiming at its self- preservation, said a source who spoke on condition of anonymity.

"The party doesn't fit any more into the new political situation," he said.

"By expanding its grassroots and by making its status more liberal, the party can consolidate its power and be sure that it doesn't have the same situation as in the Soviet Union and in other countries where the government has decided to outlaw the communist party," he said.

The changes are necessary because of the expected upcoming end to the Cambodian civil war—and a return of Prince Norodom Sihanouk, who has been fighting in the resistance for almost 13 years.

He will head an interim ruling council that will govern Cambodia from November ahead of elections scheduled for 1992.

Prime Minister Hun Sen told AFP in Paris on Tuesday that there would be major political reforms at the upcoming party congress scheduled for October 16.

"Before Hun Sen departed this matter had been discussed," the source said.

The party's Central Committee drafted the changes at a weekend meeting, and they must be approved by the party congress and the National Assembly.

National Assembly Chairman Chea Sim was considering convening an extraordinary session of the assembly to approve the changes, he said.

Sources here expect little opposition to reform because they said Chea Sim—known to have political differences with Hun Sen—was one of the key instruments of change.

The ruling Popular Revolutionary Party of Kampuchea (PRPK) will become simply the People's Party, the source said.

It is a return to the previous name used by Cambodia's political party during and after French colonial rule which ended in 1953.

The Communist Party will also change its symbol to eliminate the hammer and sickle, the source said.

Changes in the structure of the party include incorporating party cadres into the civil sector, he said.

"The main strategy now is to try to include all of the party structure into the government," he said.

Otherwise high-ranking party officials without government posts might lose their jobs and break away to divide the government, he said.

He said details of other reforms had not yet been released by they would liberalize the regime and draw in more involvement from the people.

The changes come ahead of United Nations-supervised elections in which all sides fighting Cambodia's civil war will participate.

Hun Sen Discusses Forthcoming Party Congress

*BK0210123591 Phnom Penh SPK in French
1120 GMT 2 Oct 91*

[Text] Phnom Penh 2 Oct (SPK)—The Kampuchean People's Revolutionary Party [KPRP] [words indistinct] in power in Phnom Penh will meet from 16 October at a congress which should pave the way for "important changes" in its policy, Cambodian Prime Minister Hun Sen announced Tuesday.

This party congress, on the eve of the signing on 23 October in Paris of a peace agreement—which should pave the way for the return to Cambodia of all Cambodian factions and free elections toward the end of 1992—would allow "a change in the party's line toward liberal democracy and pluralism", specified Hun Sen [words indistinct].

The party should also clearly confirm its direction toward a market economy, adds Phnom Penh prime minister, who will meet in Paris on Tuesday French Prime Minister Edith Cresson and Foreign Minister Roland Dumas.

"The current situation allows the move forward" and plans "big improvements favorable to a [word indistinct] political and economic" in Cambodia, further stresses Hun Sen who also affirms that the current tendency within the party is in favor of "social democracy."

Truce Violations by Resistance Forces Reported

*BK0310084191 Phnom Penh SPK in French
0402 GMT 3 Oct 91*

[Text] Phnom Penh 3 Oct (SPK)—According to an authorized source, troops of the three factions of the Cambodian opposition intensified serious armed violations, especially during the last week of September, against various government positions in Siem Reap and Kompong Thom Provinces.

In the province of Siem Reap, the enemies on 22 September unsuccessfully attacked one of the government positions in Pongro Leu Commune. One day after that, they fired several artillery shells on another position in the same locality.

On 24 September, the two positions were again exposed to new attacks mounted by the Polpotist and Sihanoukist troops. Nevertheless, the attackers were driven back at 0830 by the government forces. And on the same day, the enemies, notably the Polpotists, fired 27 rounds of DK-75, 82-mm, and H-107 guns into two villages in Sot Nikom District.

On 27 September, the enemies blew a bus with mine in an area between the provincial town of Siem Reap and the district seat of Chikreng, killing four travellers and seriously injuring four others.

In Kompong Thom Province, the Polpotists have gathered at some localities in Stoung and Santuk Districts.

On 20 September, some 20 men from the so-called F-616 unit of the enemy forces infiltrated a commune in Kompong Svay District. And on the same day, a group of Polpotists soldiers encroached upon an area of the provincial town.

On 23 September, the enemies wounded a civilian in Pralay Commune of Stoung District. And on the same day, eight soldiers with three guns and two walkie-talkies from the Sonsannian faction's F-808 Unit presented themselves to the authorities of Stoung District.

Ministry Reports Rice Planting Statistics

BK2909081091 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 0430 GMT 29 Sep 91

[Text] According to a preliminary report from the Agronomy Department of the Agriculture Ministry, more than 154,700 hectares of land—including some 107,240 hectares for rainy-season rice planting—in 10 provinces have been damaged by flood.

Kampot Province has been damaged with over 15,000 hectares, Prey Veng Province with over 72,700 hectares, and Takeo Province with over 23,140 hectares.

As for other six provinces—Phnom Penh, Kandal, Kompong Cham, Kratie, Stung Treng, and Ratanakiri Provinces—they suffered similar damage with a total acreage of over 38,000 hectares.

By mid September, over 1,185,000 hectares of monsoon rice—or 61 percent of the planned target—had been planted nationwide. The result represents an increase of 436,000 hectares compared with the same period last year.

Commentary Urges Regime To Respect Popular Will

BK0310034491 (Clandestine) Voice of the Khmer in Cambodian 2300 GMT 2 Oct 91

[Political commentary: "The Vietnamese-Installed Regime Is Requested Not To Attempt Putting Further Pressure on the Cambodian People's Wishes"]

[Text] On 23 October, there will be a signing of the UN peace plan, and shortly after that the peace plan will be put into effect, meaning it should be immediately implemented in Cambodia. The achievement of the definitive peace plan is the successful result of our struggle for national independence and also the fruit of the persistent endeavor of the nationalist Cambodian leaders. The struggle by the Cambodian resistance using force of arms has forced Vietnam to withdraw its troops and to finally agree to allow the regime it has installed to accept the peace plan, which is the well-defined foundation for a peaceful settlement of the Cambodian problem.

However, in recent days we have noted that the Vietnamese-installed regime is striving to further maintain its influence in Cambodia through the following maneuvers:

1. The regime has painstakingly made known that it will be the dominant force during the transitional period; and 2. It has employed all kinds of publicity to show that it always remains influential over the Cambodian people living under its rule.

We can clearly see that the fact that the Vietnamese-installed regime is striving to do this is because it wants only to preserve all its influence over the Cambodian people until elections are held. It is obvious that this is also a foul trick for indirectly putting pressure on the Cambodian people's wishes by using the pretext—as Mr. Hun Sen has repeatedly said—that both governments should be kept. We wish to clarify that legally the Vietnamese-installed regime does not exist—it is only the product of Vietnam's political regime and maneuvers in Cambodia. Besides, the United Nations, with a view to doing away with the regime that does not genuinely represent Cambodia and the Cambodian interests, has mapped out the peace plan. And at this final stage of the implementation of the peace plan, free elections will be organized. So the Cambodian people should be set free from all sorts of pressure from the communist regime Vietnam has installed—this is to allow the people to freely work out their destiny themselves.

According to Mr. Hun Sen's recent interview with Voice of America, the Cambodian people's wish should be respected. We acknowledge that the remark is correct. However, if Mr. Hun Sen does have respect and wants to demonstrate his assertion, his regime should courageously and clearly and fully explain to the people the real significance of the UN peace plan soon to be implemented in Cambodia. Your regime should proclaim that after the signing of the peace plan, the Supreme National Council [SNC] will be the unique source of authority and the legitimate body of Cambodia during the transition, and that the SNC will delegate all necessary powers to the United Nations, meaning all the authorities required by the United Nations to fully ensure the freedom of the Cambodian people and justice so as to allow the people to express their desire in elections to pick a political ruling body to replace the Vietnamese- installed regime. As such, your regime should cease using the influence of the regime that the Vietnamese have imposed on the Cambodian people at the time when the latter need a regime that truly represents the Cambodian nation and motherland. Your regime should also set free all political prisoners who have been tortured because of their struggle against your regime and against the Vietnamese aggressors' political regime in the country.

Our remarks are truly made in the interest of the Cambodian nation. The history that the Cambodian children will learn in the future will record the good deeds and the dishonest practices that each Cambodian party has engaged in on behalf of the nation.

Indonesia

Suharto Welcomes Japanese Emperor on Arrival

BK0310055091 Jakarta Radio Republik Indonesia Network in Indonesian 0500 GMT 3 Oct 91

[Text] Japanese Emperor Akihito and Empress Michiko are currently resting at Wisma Negara [State Guest House], Jakarta. At 1140 West Indonesia Time, they arrived at Istana Merdeka [Merdeka Palace], Jakarta and were cordially welcomed by President Suharto, Madam Suharto, Vice President Sudharmono and his wife and cabinet ministers.

Emperor Akihito and Empress Michiko, who are on a five-day state visit to Indonesia, were given a grand 21-gun salute welcome.

Emperor Akihito and Empress Michiko flew into Halim Perdanakusuma airport, Jakarta at 1105 West Indonesia Time and were welcomed by ad-interim Foreign Minister L. B. Murdani.

Suharto Agrees To Help SRV's Rice Production

BK0210114491 Jakarta ANTARA in English 1043 GMT 2 Oct 91

[Text] Jakarta, Oct 02 (ANTARA)—Indonesia is ready to assist Vietnam to increase its rice production and share experiences on the efficient use of urea fertilizer, President Suharto said here Wednesday morning.

The president made the promise when receiving Vietnamese Trade and Tourism Minister Le Van Kiet, Trade Minister Arifin Siregar told newsmen.

Siregar accompanied the Vietnamese minister when the latter paid a courtesy call on the president.

President Suharto, according to Siregar, told his guest that efficient use of urea fertilizer would enable Vietnam to increase its rice production sharply.

Le Van Kiet on the occasion also offered opportunities for Indonesia to import soy beans from his country up to the amount of 250,000 tons per year.

Asked by newsmen after meeting the head of state on Vietnam's readiness to sign agreement on avoidance of double taxation with Indonesia, he said "for Vietnam such an agreement is something new."

However, he said, an agreement such as the one intended to safeguard foreign investments in Indonesia previously had also been signed with France, Italy, and Thailand.

Indonesian exports to Vietnam in 1985 was recorded at 4.9 million U.S. dollars imports 6.6 million U.S. dollars.

In 1990, the exports jumped to 27.3 million U.S. dollars while the imports to 42.8 million U.S. dollars.

During the first four months of 1991, Indonesian exports to the Indochinese country had reached the value of 35 million U.S. dollars while the imports only 10 million U.S. dollars.

Cabinet Ministers Adopt Drought Measures

BK0210113191 Jakarta Radio Republik Indonesia Network in Indonesian 0700 GMT 2 Oct 91

[Excerpt] A limited meeting of cabinet ministers in charge of economic, financial, and industrial affairs chaired by President Suharto today has adopted several measures to cope with the current drought. Speaking after the meeting this afternoon, Information Minister Harmoko said the government will provide paddy seedlings to areas affected by [word indistinct], labor intensive projects, and marketing assistance by the State Logistics Bureau.

During the meeting, the president also stressed the importance of intensifying efforts to curb the inflation rate by, among other things, providing foodstuffs, especially rice. The information minister pointed out that the inflation rate in September stood at 0.12 percent, much lower than in August, when it was 1.9 percent. It is hoped that at the end of the year the inflation rate will stand at 9.53 percent, which is equal to last year.

Meanwhile, Indonesia last July recorded a trade surplus of U.S.$338.9 million because its exports were valued at $2,491.8 million whereas its imports stood at only $2,152 million. From January to July this year, Indonesia's trade surplus stood at $1,537.2 million with its exports being recorded at $16,599.1 million and its imports at $15,061 million. [figures as heard] [passage omitted]

Laos

Leaders Greet PRC Counterparts on National Day

BK0210111191 Vientiane Vitthayou Hengsat Radio Network in Lao 0500 GMT 2 Oct 91

[Greetings message from Kaysone Phomvihan, chairman of the Lao People's Revolutionary Party Central Committee and president of state; Khamtai Siphandon, prime minister; and Nouhak Phoumsavan, chairman of Supreme People's Assembly of the Lao People's Democratic Republic, to PRC leaders on the 42d anniversary of the PRC's national day; dated 30 September]

[Text] To Comrade Jiang Zemin, general secretary of the CPC Central Committee; Comrade Yang Shangkun, president; Comrade Li Peng, prime minister; and Comrade Wan Li, chairman of the National People's Congress [NPC] Standing Committee of the PRC, Beijing:

On the occasion of the celebration of the 42d anniversary of the establishment of the PRC, on behalf of the Lao People's Revolutionary Party [LPRP] Central Committee, the government, the Supreme People's Assembly [SPA] of the Lao People's Democratic Republic [LPDR], the entire Lao people, and in our own names, we would like to convey warm salutations, sincere greetings, and best wishes to you, comrades, and through you to the CPC Central Committee, the government, the NPC, and all Chinese people.

Throughout the past 42 years, under the CPC's leadership, the Chinese people have persistently surmounted various difficulties and have systematically won satisfactory achievements. It is noteworthy that they have fulfilled the party's strategic goal in the first stage, as a result of which their living conditions have been daily improved and the country has enjoyed prosperity and civilization.

We would like to express our wholehearted welcome to the said achievements of the fraternal Chinese people. We are firmly convinced that the relations of neighborly friendship, traditional solidarity, and all-around cooperation between our two parties, two governments, and two peoples of Laos and China will be further promoted and developed with each passing day for the benefit, happiness, and plentiful life of the two peoples and in the interest of peace, stability, and cooperation in Asia and the world.

On this glorious occasion, we wish the fraternal Chinese people, under the leadership of the CPC with Comrade Jiang Zemin as head, new, still greater success in defending and building the country, in particular in implementing the strategic goal in the second stage as well as in implementing the Eighth Five-Year Plan and the 10-Year Socioeconomic Development Project of the state. We wish you, comrades, good health and ever greater success in performing your noble tasks.

[Dated] Vientiane, 30 September 1991

[Signed] Kaysone Phomvihan, chairman of the LPRP Central Committee and president of the LPDR

Khamtai Siphandon, prime minister of the LPDR

Nouhak Phoumsavan, chairman of the SPA

On the same occasion, Comrade Phoun Sipaseut, deputy prime minister and minister of foreign affairs of the LPDR, also sent a greetings message to Comrade Qian Qichen, state councilor and minister of foreign affairs of the PRC.

PRC Ambassador Delivers Speech on National Day

BK0310042891 Vientiane Vitthayou Hengsat Radio Network in Lao 0500 GMT 2 Oct 91

[Lao television speech by Huang Guocai, ambassador extraordinary and plenipotentiary of the PRC to Laos, delivered in Vientiane on the occasion of the 42d anniversary of the PRC's national day; date not given—read by announcer]

[Text] On 1 October 1949 the Chinese people, by means of the protracted, hard struggle under the leadership of the CPC with Comrade Mao Zedong as head, defeated the three (?main adversaries), namely the imperialists, the feudalists, and the bureaucratic capitalists, and then established the PRC with the Chinese people as the genuine owners. Throughout the past 42 years, China has effected a complete change and has achieved a great success in carrying out the socialist reformation and construction. Noteworthy is that since 1979, the CPC Central Committee, with Comrade Deng Xiaoping at the core, has adhered to the four fundamental principles in the implementation of the reform and open-door policy. China has achieved rapid progress in development. We have fulfilled the strategic goal in the first stage of the economic construction. As a result, the national economic product has increased two-fold compared with that in 1980 and the people's living standards have been raised to a higher level.

At present, the Party Central Committee, with Comrade Jiang Zemin at the core, has led the people throughout the country to strive to achieve the strategic goal in the second stage, that is to say, a two-fold increase in the national economic product by the year 2000 as compared with 1990, while raising the material and cultural life of the people to an ever higher level. This year, our country has suffered unprecedentedly severe floods that have seriously affected construction work and the people's living conditions. However, under the leadership of the party and the state, and with international assistance, the Chinese people throughout the country have achieved initial success in combating the floods and are now making efforts to restore production and rebuild their houses.

In recent years, though the international situation has changed and the international hostile powers have striven to pursue the strategy of effecting a change through peaceful means against our country, the Chinese Government and people have struggled against obstacles and have been victorious in various trials. The Chinese people have been confidently and elegantly marching forward along the unique path of socialist construction.

Distinguished audiences, of late I have been appointed Chinese ambassador to Laos—a neighboring country. I have seen with pleasure that the Lao Government and people have achieved satisfactory progress in implementing the modification and open-door policy, as well as in pursuing the socioeconomic development cause. I have observed that the traditional Sino-Lao friendship and friendly cooperation are being restored and developed. Following the friendship visit to the PRC by Kaysone Phomvihan and the friendship visit to the Lao People's Democratic Republic by Premier Li Peng, relations between our two countries entered a new stage; trade and economic cooperation has been further broadened; and talks on the border issue have brought about fruitful results. I am convinced that Sino-Lao relations, which were established on the basis of the five principles of peaceful coexistence, will certainly advance.

FAO Mission To Study Flood, Drought Problems

BK0210114091 Vientiane KPL in English 0929 GMT 2 Oct 91

[Text] Vientiane, October 2 (KPL)—UN will send its experts, particularly FAOs [Food and Agriculture Organizations], to study the adverse effects of floods, drought and related problems in the country.

The study team includes representatives of foreign countries and a number of international organizations. The mission is to see for themselves the seriousness of the problem and to find ways to alleviate the situation.

Visiting FAO Deputy Director General Mr. Francois Rinville, on Sept 30, Lao officials and discussed the question of FAO's assistance to Laos in the most effective manner in order to solve shortage in the country [sentence as received].

Mr. Francois Rinville also met with Mr. Khamphoui Keoboualapha, deputy prime minister, minister of economy, planning and finance, Mr. Sisavat Keobounphan, minister of agriculture and forestry, and Mr. Souli Nanthavong, minister of science and technology.

Foreign Minister Greets New Burmese Counterpart

BK0210112291 Vientiane KPL in English 0912 GMT 2 Oct 91

[Text] Vientiane, October 2 (KPL)—Lao Foreign Minister Phoun Sipaseut recently sent to the newly appointed foreign minister of Myanmar [Burma] a telegram of congratulations.

P. Sipaseut wished him good health and succes in his new position, and hoped that Laos-Myanmar traditional relations will increasingly develop.

Youth Union Delegation Returns From SRV Visit

BK0310054491 Vientiane Vitthayou Hengsat Radio Network in Lao 1200 GMT 2 Oct 91

[Text] A delegation of the Lao People's Revolutionary Youth Union [LPRYU] led by Mrs. Thongvin Phomvihan, first secretary of the LPRYU Central Committee, returned home on the afternoon of 1 October after ending a 5-day visit to the SRV.

During the stay in the SRV, the delegation held a consultative meeting with their Vietnamese counterparts. The two sides informed each other of the situation in various fields. They also discussed cooperation plans applicable to the practical conditions of each country, in particular during the period of modification.

A member of the youth union delegation said that the meeting was held to prepare a basis for a comprehensive change in the cooperation between the youth organizations of the two countries, which will be executed in early 1992.

During the visit, the Lao youth delegation also paid a courtesy call on Do Muoi, general secretary of the Communist Party of Vietnam and visited economic establishments in Hanoi municipality and in Quang Ninh Province.

Philippines

Aquino News Conference on Withdrawal Agreement

HK0310024891 Quezon City Radyo ng Bayan in Tagalog 0034 GMT 3 Oct 91

["Excerpts" of a news conference held by Philippine President Corazon Aquino and Executive Secretary Franklin Drilon with the Malacanang Press Corps on 2 October; place not given; in English—recorded]

[Text] [Aquino] The government will negotiate and execute an executive agreement with the United States Government on the withdrawal of the United States military forces within a period not exceeding three years. In this decision, I have the support of at least 15 senators, namely Senators Angara, Aquino, Osmena, Alvarez, Shahani, Paterno, Herrera, Rasul, Saguisag, Gonzales, Romulo, Lina, Tamano, Ziga, and Mercado. Executive Secretary Drilon notified Ambassador Wisner of this decision of the Philippine Government. I have also instructed General Abadia to meet with his American military counterpart to discuss the withdrawal plan. We would be giving you a copy of the resolution which will be signed by the 15 senators.

[Reporter] [Question indistinct]

[Aquino] Actually, what I mentioned was an executive agreement and my legal advisers tell me that in an executive agreeement, all that is needed is a majority. A majority of the 23 would be 12 senators. But of course, I would like very much to get the support also of the other senators and we will be working on this.

[Reporter] [Question indistinct]

[Aquino] Well, if you weren't [word indistinct] what we were saying was that it is important that we should also address the concern of our brother Filipinos who are working in Subic and it was encouraging that we come to an early decision as soon as possible and we felt that we should not yet abandon them. So, the idea of a referendum came about. However, since we are now going to continue with this executive agreement, I guess there is no use anymore for the referendum.

[Reporter] Mrs President, is it true that you are now (considering running in the presidential polls in 1992) as Executive Secretary Drilon said [words indistinct]?

[Drilon] Let me make it clear that—excuse me, Mrs. President—I want to make it clear that the president did not make that announcement. It was my own assessment of the situation.

[Aquino] You mean, Secretary, that the announcement was [words indistinct] [laughter].

[Reporter] Ma'am, Executive Secretary Drilon said that if the senators continue to push for a one-year withdrawal period that you might be forced to seek [words indistinct] position in the 1992 election which [words indistinct] that you are entertaining. So, may we have your (comment) on this?

[Aquino] Well, as Secretary Drilon just said, he.... [changes thought] This was his opinion. Perhaps, he [words indistinct] I was getting. You know, I have been getting service compromise [as heard] from [word indistinct] not only for myself but more importantly, as I said, for the workers in Subic. We cannot allow these people to live each day worrying about where they will get the means with which to support their families. But now that we have finally come to this, well, with the support of the 15 senators, we are now going into this executive agreement.

[Reporter] Mrs. President, what is the response of the U.S. Embassy?

[Aquino] Perhaps I can ask Secretary Drilon since it was he who had talked to Ambassador Wisner.

[Drilon] The American Embassy has stated its position that they will receive our position and if this is the decision of the Philippine Government, well, we will accept it as the decision of the sovereign state.

[Reporter] I would like to categorically hear a statement from you that if some of the senators do not agree on a compromise, you would have also [words indistinct] to reclaim your position in the limelight. [laughter]

[Aquino] Well, as I said, this was Secretary Drilon's assessment. Maybe he sees me every day [words indistinct]. There is no decision [words indistinct]. But in the meantime, I will have to address the problems of our workers in Subic. It is not as if the workers in Subic would just ask the senators and the senators would be giving them employment. So, that is also my main responsibility and here I am trying my best to get the senators to work out a compromise formula. But this, I say, is being delayed more and more, and so I [word indistinct] and I was glad that the senators were ready to give me their support. So, we will be going into this executive agreement.

[Reporter] [Question indistinct]

[Aquino] That was never discussed. That is not done. This is not a treaty. We are talking about a withdrawal.

[Reporter] [Question indistinct]

[Aquino] You remember that in the original resolution of Senator Lina, what was expressed was that access will be very [word indistinct] and we will accept all annual assistance which will be given regarding the Mount Pinatubo rehabilitation.

Orders Formation of Committee

HK0310113391 Quezon City Radyo ng Bayan in Tagalog 1000 GMT 3 Oct 91

[Excerpt] President Corazon Aquino ordered the formation of a withdrawal committee which will be responsible for taking the necessary steps for the three-year orderly phase-out of the U.S. military bases in the country. Here is Tanny Rodriquez with the details:

[Begin Recording] [Rodriquez] The order was made after an agreement by 16 senators on the three-year withdrawal of the American military bases. Executive Secretary Franklin Drilon said the withdrawal committee will ensure the standard set by the resolution endorsed by many senators in accordance with the 1967 Manglapus-Shultz Agreement:

[Drilon, in English] For example, one provision states that we will negotiate to acquire certain movables on the best possible terms. So these are the things that we have to discuss.

[Rodriquez] On the U.S. Government side, U.S. Ambassador Frank Wisner said that he was able to discuss the three-year withdrawal period with President Aquino even while they are still waiting for the Senate to pass the resolution. [passage omitted] [end recording]

Details of Resolution Given

HK0310052691 Quezon City MALAYA in English 3 Oct 91 pp 1, 2

[By Chit Estella and Marie Rose Feliciano with Romy Tangbawan, Cris Larano and Ellen Tordesillas]

[Text] President Aquino yesterday said she will negotiate with the United States an executive agreement providing for a withdrawal period of not more than three years for its military facilities here.

The President also said she was dropping her plan to call for a referendum. "Since we are now going to proceed with this executive agreement, I don't think there is any reason anymore for a referendum," she said.

The three-year withdrawal period, contained in a draft resolution presented to senators yesterday, was supported by at least 15 senators, the President said. The resolution did not specify any compensation.

She named the 15 as protreaty Senators Edgardo Angara (Ind) [Independent], John Osmena (Ind) Heherson Alvarez (LDP) [Struggle of the Filipino Democrat], Leticia Shahani (LDP), Vicente Paterno (PDP-Laban) [Filipino Democratic Party-Nation's Strength] Ernesto Herrera (Ind), Santanina Rasul (PDP-Laban), Neptali Gonzales (LDP), Alberto Romulo (LDP), Jose Lina Jr. (LDP), and Mamintal Tamano (NP) [Nationalist party] and anti-treaty Senators Agapito Aquino (Bandila), [People United in Spirit and Purpose], Rene Saguisag (LP) [Liberal Party], Orlando Mercado (LP), and Victor Ziga (LP).

But only 12 of the senators have actually signed the resolution which was reportedly prepared by Saguisag and Executive Secretary Franklin Drilon.

Ziga, who arrived in the Palace late in the afternoon, said he will study the resolution first before signing.

Lina said he has first to consult with the Kasama Ka Kabayan [You Are Included Fellow Country man] movement which he launched to push for a referendum.

Gonzales is out of town.

The President said while she would like to line up 16 senators behind her proposal, she was told by her legal advisers that an executive agreement needs only a majority vote of 12 in the 23-man chamber.

The draft resolution she presented to the senators is titled: "Expressing the sense of the Senate that an orderly withdrawal of United States forces from their facilities in the Philippines within a reasonable time frame is in the national interst and will help mitigate the effects of such withdrawal on Filipino base workers, suppliers, and communities around U.S. facilities."

Mrs Aqino said the compensation "was never discussed" in preparing the resolution. "This is not a treaty. We are talking about a withdrawal," she said.

"Of course, we will be very grateful and will accept any assistance which will be given to the Mt. Pinatubo rehabilitation," she said.

Mrs Aquino also said Drilon already notified U.S. Ambassador Frank Wisner II about her decision to enter into an executive agreement for the pullout. It is not known if she similarly advised the Senate leadership of her move.

Wisner said the U.S. "recognizes the decision as that of a sovereign nation."

U.S. Embassy spokesman Morton Smith said. "We have taken note on the President's statement and we have referred it to Washington."

Mrs Aquino also said she has instructed Gen. Lisandro Abadia, Armed Forces chief, "to meet with his American counterparts to discuss withdrawal plans.

Drilon, expressing confidence the U.S. would accept the three- year withdrawal formula, said: "The American Embassy has stated its position that they will receive our position. And if this is the decision of the Philippine government, they will accept it as a decision of a sovereign state."

While Mrs Aquino said a notice of termination will be served immediately, Drilon said this matter will still be discussed with the senators.

The three-page resolution said:

—The withdrawal arrangement will enable the Philippine government to gradually take over, pursuant to its conversion program, areas and operations of the U.S. facility that shall be turned over appropriately, with proper notice, subject to consultation and mutual agreement.

—The three-year withdrawal will give the government enough time to phase in its own personnel in line with the conversion program. Filipino personnel who will be phased in at Subic will also be given the appropriate training during the three-year period.

—The government will negotiate for the transfer to the Philippine government of movable equipment and machinery like floating drydocks, floating cranes, and machine shop "under the best possible terms."

The withdrawal arrangement will cover the rules that will apply to U.S. personnel in the military facilities and the use of Subic during the pullout period.

Drilon, in an ambush interview, did not say who will negotiate for the executive agreement with the U.S.

The compromise resolution was drafted in cooperation with pro-bases senators who were in Malacanang as early as 10 a.m.

Osmena said an agreement on three years was reached by noon after the President talked one-on-one with the senators.

"Then she (Mrs. Aquino) called Rene (Saguisag), Orly (Mercado) and Butz (Aquino) to the Palace to enlist their signatures," Osmena said.

Mercado, Saguisag, and Aquino said they signed the resolution "without any hangup" because they were all amenable to a maximum withdrawal period of three years.

The three are co-authors of the withdrawal resolution earlier filed in the Senate seeking an orderly pullout of U.S. troops in three years. The stay will be rent-free.

Paterno said the compromise is a result of the "alignment of reasonable senators" and will end "anti" and "pro" labelling.

Angara, who proceeded straight to Malacanang upon his arrival from the U.S. said the three-year withdrawal period is a "good development that gives us the opportunity to focus on other issues."

He said no mention of any compensation was made so "that we will not look like mercenaries."

Angara said the withdrawal envisioned in the compromise is irrevocable and will not require concurrence by two-thirds of the Senate.

Lina said the three-year pullout period is "very tight," but indicated he will drop his campaign to call for a referendum.

"I have not signed the resolution because I believe the three-year period appears to be very, very tight. However, I shall be consulting the leadership and organizers of the Kasama Ka Kabayan citizens movement and update them on this latest development," he said.

Along with Ziga, Senators Joseph Estrada (PMP) [Party of the Filipino Masses] and Ernesto Maceda (PMP), said they will first study the resolution before signing it.

Maceda, who was also in Malacanang yesterday, said he is deferring action also out of courtesy to anti-treaty colleagues who have yet to meet on the matter.

Estrada, "smuggled" by Aquino and Saguisag from the Senate to Malacanang with Ziga and Maceda, said although he has not given Mrs. Aquino an answer, he will likely sign the resolution.

Estrada said he is inclined to favor the resolution since this will limit the stay of U.S. troops, that the U.S. will be asked to leave its facilities, and that base workers will be given enough time to look for alternative jobs.

Estrada added he might even convince the other anti-treaty senators to vote for the resolution, including Maceda, his campaign manager, with whom he shares "the same vision."

Ziga, asked if Senate President Jovito Salonga (LP) knew about the resolution prepared in Malacanang and the signature-gathering going on there, said Salonga was not in the chamber.

Yesterday's session was presided over by Senate President Pro Tempore Sotero Laurel (NP).

But Senate Majority Floor Leader Teofisto Guingona (LP) said Salonga was aware of the three-year withdrawal period and is in his house preparing a speech for the Manila Overseas Press Club.

The endorsement of the three-year pullout by Saguisag, Mercado, and Aquino apparently caught the other anti-treaty senators by surprise but they said they will still push for a one-year withdrawal period.

Salonga and the hardliners like Laurel, Senate Minority Floor Leader Juan Ponce Enrile (NP) and Senators Wigberto Tanada (LP), Teofisto Guingona Jr. (LP) and Aquilino Pimentel Jr. (PDP-Laban) said since the resolution proposes a withdrawal period of more than one year, it needs the support of two-thirds of the chamber, or 16 votes.

Enrile said the proposal is for an "extension" and not a "withdrawal" since even the treaty that was rejected provided that a withdrawal period should not be more than one year.

Aquino To Ask U.S. Approval of 3-Year Terms

HK0310004291 Manila DWIZ Voice of the Filipino People's Radio in Tagalog 2200 GMT 2 Oct 91

[Text] President Corazon Aquino is set to request the U.S. Government to approve an executive agreement granting a three-year phaseout period for the U.S. military bases in the country. President Aquino said this after her meeting with pro- and antibases senators in Malacanang. She confirmed that 15 senators are supporting her proposal on the withdrawal period. At the same time, Mrs. Aquino ordered Executive Secretary Franklin Drilon to inform U.S. Ambassador Frank Wisner of the government's decision. She also directed General Lisandro Abadia, Armed Forces of the Philippines chief of staff, to meet with his American counterpart on issues related to the pullout of the U.S. forces from the Philippines. The president stressed that the agreement between Malacanang and the Senate is important because the interests of the Filipinos who will be displaced by the withdrawal of the Americans from the country was considered. As a result of the agreement, Aquino said the government may no longer consider the holding of a referendum.

Aquino Says More Senators To Sign Resolution

HK0310075291 Quezon City Radyo ng Bayan in Tagalog 0400 GMT 3 Oct 91

[Italicized passage in English]

[Text] President Corazon Aquino announced that more antibases senators will sign the resolution setting a three-year withdrawal period for the American troops. The announcement was given by the president during her visit to areas damaged by Mount Pinatubo eruptions and mud flows in Pampanga this morning. The president was accompanied by some legislators, members of the cabinet, and diplomatic corps headed by U.S. Ambassador Frank Wisner.

[Begin Aquino recording, broadcast in progress] ...those were here because Clark was already gone and Subic still has hope, and this is what I have appealed to the senators for, to give them at least three years in order to prepare to look for other means of livelihood. That is why something good happened yesterday. Secretary Drilon told me that 12 senators had signed [the resolution] yesterday, but Senator Neptali Gonzales was not able to sign because he was still in Germany. But he, too, will sign as soon as he gets back and concerning Senator Lina, he was busy doing other things in the Senate yesterday but now he will also sign. Senator Estrada and Senator Ziga promised me that they will also sign this afternoon. Senator Romulo reported to me that there are still other senators who will be signing this resolution of a three-year withdrawal period. [end recording]

Meanwhile, the president started the reinvigorated livelihood program in the provinces by means of financial help from the provincial government. A check was presented by the president to Governor Bren Guiao.

[Begin Aquino recording] I gave a 5 million pesos [PP] check to Governor Guiao for the livelihood projects and that is in addition to what the national government has given, which Secretary Caragued told me has amounted to more or less PP84 million. This PP5 million came from the donations not only from Filipinos but also from our friends abroad. [end recording]

On the other hand, nine out of the 12 antitreaty senators are maintaining their hardline positions. In a report gathered from our correspondent JoJo Ismael, the nine said that the three-year withdrawal formula is an extension on the retention of the U.S. military bases in the Philippines.

[Begin recording] [Ismael] In an interview, Senate President Jovito Salonga, who is the head of the antitreaty block in the Senate, told Philippine Broadcasting Service News that the three-year proposal by Malacanang was a bit too long and this is an extension of the retention of the U.S. bases, instead of a withdrawal period, as the pro-bases senators claimed. This kind of arrangement, according to Salonga, is a direct violation of the Constitution after the rejection of the Treaty of Friendship, Cooperation, and Security by the Senate. He said what Malacanang should have done was to convene the joint withdrawal committee to finish the withdrawal talks before the end of the year.

[Salonga] *What they should have done was to convene the withdrawal panel and end the withdrawal negotiation with the Americans first. So we could see the withdrawal schedule.* This is not the way things are looking now that we are giving them time without knowing the withdrawal schedule.

[Ismael] Besides Salonga, the other eight senators who have not yet signed the draft resolution are Senator Teofisto Guingona, Victor Ziga, Sotero Laurel, Wigberto Tanada, Aquilino Pimentel Jr., Joseph Estrada, Ernesto Maceda, and Juan Ponce Enrile. [end recording]

Salonga: Nine Senators To Oppose 3-Year Terms

HK0310115891 Quezon City Radyo ng Bayan in Tagalog 1000 GMT 3 Oct 91

[Italicized passage in English]

[Text] Senate President Jovito Salonga announced today that nine out of the 12 antitreaty senators will oppose the three-year withdrawal period for the U.S. bases in the country. In an interview with Jojo Ismael, Salonga said that the three years being proposed by Malacanang is too long. This can be considered instead as an extension of the stay of American troops and facilities in Subic Naval Base. This kind of an arrangement, according to Salonga, is a direct violation of the Constitution after the Senate trashed the new treaty.

[Begin Salonga recording, in progress] *...convene the withdrawal panel entering into negotiations with the Americans first. So we can see the schedule of withdrawal.* Unlike as if we are the ones very eager to grant [the period] when we do not yet know what the schedule is. [end recording]

Manila May Send Another Contingent to Cambodia

HK0310061391 Quezon City MALAYA in English 3 Oct 91 pp 1, 2

[By Ellen Tordesillas]

[Text] From an exporter of skilled workers, the Philippines, which recently sent a 50-man contingent to Iraq, may be turning into an exporter of soldiers.

Acting Foreign Secretary Pablo R. Suarez said yesterday the Philippines may send a contingent to Cambodia as part of the United Nations peacekeeping force if Cambodia's warring factions "are agreeable to receive an ASEAN peacekeeping contingent."

"There's no reason why we can't send a Filipino contingent," he said.

Cambodia is the scene of a 12-year civil war which is currently being resolved under the auspices of the UN.

The resolution of the Cambodia conflict is almost at hand with the establishment of the Supreme National Council [SNC] which will act as an interim government under UN supervision until multi-party national elections are held in 10 months to two years.

Prince Norodom Sihanouk was elected head of the SNC which was admitted recently in the 46th UN General Assembly.

A UN peacekeeping force will be deployed to disarm Cambodia's warring factions and to maintain peace and order before the elections.

The factions include the Phnom Penh government headed by Prime Minister Hun Sen, the Sihanoukist National Army led by Sihanouk, the Khmer People's National Liberation Front led by Son Sann, and the Khmer Rouge guerrillas.

Suarez said it would be best if the ASEAN reaches a consensus on its participation in the UN peacekeeping force. "We have been discussing Cambodia in a collegial sense. I think we should consult each other on the matter," he said.

Suarez said if the plan pushes through, it will be the first time the Philippines will participate in a UN peacekeeping operation.

He said the Philippines had sent war contingents to Korea in the 1950s and to Vietnam and Congo in the 1960s.

He said the Filipino team that went to Iraq was not for a UN peacekeeping force but for a UN contingent guard that would protect the various agencies which the UN established in Iraq for the purpose of implementing humanitarian programs.

He said each team member gets a daily allowance of $150, adding that he expects more would be willing to go to Cambodia.

Japan May Cofinance WB Export Sector Loan

HK0310063491 Manila PHILIPPINES NEWSDAY in English 3 Oct 91 p 8

[Text] The Overseas Economic Cooperation Fund of Japan has indicated interest in co-financing a $150-million World Bank export sector loan to the Philippines, Central Bank [CB] Governor Jose L. Cuisia Jr. said yesterday.

If this pushes through, it would boost government's efforts to provide more funds for the export sector, one of the major sources of foreign exchange for the country.

Cuisia, however, said the increased export fund would prompt the government to remove the subsidy to the sector under its existing export rediscounting window.

Cuisia said the CB will shortly implement a one-year phaseout of the rediscounting window, which provides exporters with low-cost funds at 14 percent to 17 percent interest.

However, Cuisia said the monetary authorities would still meet with the exporters for a possible compromise on the proposed creation of an export development fund that would involve the foreign loans. The compromise agreement will zero in on the interest rates to be flapped on the export credit.

Foreign creditors are asking that the export facility carry market rates, which currently hover around 25 percent, as a condition to the loan availment. The exporters, however, are resisting the plan, saying the government should instead raise their dollar retention limit from 2 percent to about 50 percent to enable them to generate more revenues for sustained activity.

Cuisia stressed that with the rediscounting window, the govenrment is effectively subsidizing about 8 percent of the export credits. "This is not the role of the CB but some other government corporations or financial institutions.

Enrile Speculates on Aquino Reelection Candidacy

HK0310032091 Manila DWIZ Voice of the Filipino People's Radio in Tagalog 2200 GMT 2 Oct 91

[Text] The political opposition has welcomed the candidacy of President Corazon Aquino in the event she decides to run in the 1992 presidential election. Senate Minority Floor leader Juan Ponce Enrile said he and the entire opposition are prepared to run against Mrs. Aquino in the coming election. Enrile explained he has long been aware of the plan by Mrs. Aquino after a reliable source informed him of this several months ago. The lone opposition senator, however, expressed the belief that Mrs. Aquino will not win in her reelection bid due to the failures of her administration. Enrile criticized President Aquino for using the bases issue to prove her intention to remain in power. President Aquino strongly denied a plan to run for reelection in 1992.

Bello: Aquino, Imelda Marcos Can Run in 1992

HK0310111091 Quezon City Radyo ng Bayan in Tagalog 1000 GMT 3 Oct 91

[Text] Acting Justice Secretary Silvestre Bello III, said former First Lady Imelda Marcos and President Aquino are qualified to run in the coming presidential election. This was a reaction by Bello to the statement by Executive Secretary Franklin Drilon that Aquino might possibly run again for president if the senators continue to be strict on the bases issue. He said that Mrs. Marcos can also run as a candidate if she can prove that she does not hold a Tongan passport.

[Begin Bello recording, in English] There is no constitutional prohibition against the president running for reelection. I am optimistic that the president will not run because she herself said so. [end recording]

Aquino Approves Local Government Code Program

HK0310063091 Manila DWIZ Voice of the Filipino People's Radio in Tagalog 2200 GMT 2 Oct 91

[Text] President Corazon Aquino approved the program for the proper implementation of the newly approved Local Government Code [LGC]. This program is included in the "Decentralization Implementation Program and Calendar" which was submitted by Executive

Secretary Franklin Drilon during the meeting of the Cabinet. President Aquino expressed happiness over the contents of the LGC and at the same time gave assurances that she will support the implementation of decentralization until the end of her term in 1992.

Meanwhile, Secretary Drilon stressed that the government is making all the preparations needed for the implementation of the law. The transfer of management, properties, and responsibilities of some government agencies will take effect on 1 January, 1992.

Four More Rebel Soldiers Released by Military

HK0310043791 Manila DWIZ Voice of the Filipino People's Radio in Tagalog 2200 GMT 2 Oct 91

[Text] Four more rebel soldiers who were involved in the failed December 1989 coup d'etat were released by the military yesterday. The four, who now form the newly established Reform the Armed Forces Movement-Soldiers of the Filipino People [RAM-SFP] Secretariat, were Navy Captain Proseso Maligalig, Marine Major Cesar de la Pena, Marine Major Brandy Calimag, and Army Captain Danilo Lim. The rebel soldiers were placed under the custody of Brigadier General Abraham Paraic [name as heard], the commander of Camp Aguinaldo.

The four rebel soldiers will be facing rebellion charges for their participation in the failed December coup attempt. The rebel soldiers will serve as mediators during the dialogue between the government and officials of the RAM-SFP-Young Officer Union to end the rebellion within the ranks of the military.

Investigation Into Abadia-Rebels Talks Urged

HK0310045191 Manila DWIZ Voice of the Filipino People's Radio in Tagalog 2200 GMT 2 Oct 91

[Text] Senator Ernesto Maceda asked that a thorough investigation be carried out on the peace-talks which are being conducted by General Lisandro Abadia, Armed Forces of the Philippines [AFP] chief-of-staff, with the rebel soldiers led by former Colonel Gregorio "Gringo" Honasan.

In a resolution, Senator Maceda said that it is important to look into the talks in order to give the senators the opportunity to formulate their respective positions on the possiblity of President Aquino recommending that Congress grant the putschists general amnesty.

At the same time, the solon lauded General Abadia for his efforts in ending the threat of military coups being launched in the country. However, Maceda expressed his belief that there exists the possibility that rebel soldiers may want to ruin the general's plan of convincing them to return to the government after they have had talks with House Speaker Ramon Mitra Jr.. The meeting between the two groups, according to Maceda, shows a bypass [preceding two words in English] committed by the rebels for the meeting was unknown to the chief-of-staff himself.

Honasan, Others Granted Safe Conduct Passes

HK0310114991 Quezon City ABS-CBN Broadcasting Corporation DZMM in Tagalog 1100 GMT 3 Oct 91

[Text] Rebel leaders Gringo Honasan, Domingo Calajate and Fred Kapunan can now freely move about. They were granted safe conduct passes by General Lisandro Abadia, Armed Forces chief of staff. In a news conference, Abadia said that these rebel officials can now get in touch with any official regarding issues on proposed peace talk. Abadia added that Honasan may also get in touch with Armed Forces field commanders and regional commanders. He said that military officials have already been given a go signal to undertake talks with the rebels from the left or from the right.

'Dividends' of Military Rebels' Talks Questioned

HK0310054391 Manila PHILIPPINE DAILY INQUIRER in English 3 Oct 91

[Editorial: "In Unity There Is Fear"]

[Text] The good news is that Gregorio "Gringo" Honasan may go back to the fold of the law. That is what AFP [Armed Forces of the Philippines] Chief of Staff Lisandro Abadia and Speaker Ramon Mitra say. They expect a "surrender arrangement within a matter of weeks." If so, then we may hope to see no more RAM [Reform the Armed Forces Movement] coups. If so, then we may hope to see an end to the rifts in the military. If so, then we may hope to see a strong and united AFP.

The bad news is everything else.

Not least of them is why Abadia and Mitra also want to revive the dead. Until they began talking to him, Honasan had been safely confined in a prison as secure as the AFP's bartolinas [Dungeon]—the prison of obscurity. Imelda Marcos at least did her own crowing while in exile to remind the world she still lived and posed a threat to good taste. Abadia and Mitra seem only too glad to do this for Honasan. Why so, we do not know. RAM is finished, it has no power to mount another coup: That's what the AFP has been saying all along.

Yet again, why the rush to talk peace with the RAM and not with the National Democratic Front? It's a point Sen. Wigberto Tanada has raised and it deserves an answer. The rejection of the base treaty has removed the one formidable obstacle to a comprehensive peace with the insurgents. So why isn't government talking peace with the insurgents?

Are the insurgents no longer a force to reckon with? If so, what is Abadia doing asking for more money? If we recall, he even held a gun to the Senate's head to persuade it to see the AFP's desperate need to get the aid from the U.S. bases. Without that aid, he warned, the nation would be overrun by rebel and invader. Either the insurgents are strong and worth talking to, or the AFP does not deserve the budget it gets.

For that matter, if the AFP talks peace only with forces to reckon with, what is Abadia doing talking to the RAM?

Are the insurgents less trustworthy than the RAM? Well, the insurgents' crime lies in taking to the hills and fighting society. The rebel officers' crime lies in enjoying society's trust and turning their guns on it. The insurgents' crime lies in trying to realize a faulty vision and impose a system that has been discredited even in the Soviet Union. The rebel officers' crime lies in trying to realize vaulting ambition. For some reason, government calls both crimes rebellion, when clearly the second is better called treason. Traitors are more trustworthy than real rebels?

Finally, will peace talks with the insurgents bring less dividends than peace talks with the RAM? At the very least, peace talks with the insurgents could bring the Geneva protocols on war to bear on the insurgency and so lessen the toll on the civilians. At most, they could pave the way to true peace.

On the other hand, peace talks with the RAM may or may not heal the rifts in the military. We know that those rifts draw from deeper sources than the inability of RAM and YOU [Young Officers Union] to get along with Fidel Ramos. But even if the talks do bring Honasan and company back into the fold, even if they do heal the rifts in the military, even if they do make for a strong and united AFP, what great dividends do these naturally bring to the nation? The unity and strength of the AFP are a means to an end, they are not ends in themselves. They are valuable only in so far as they promote the ends of democracy and not thwart them. They are valuable only in so far as they are not used to threaten the Senate with mayhem if it should refuse to heed the AFP's demands.

Otherwise, wouldn't it be better if the AFP remained fractious?

Quezon Communist Leader Turns Down Cease-Fire

HK0310095391 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 3 Oct 91

[Text] The leader of the New People's Army in Quezon Province has turned down the cease-fire being offered by Philippine National Police officials and the local government. Leopoldo Mabilangan, alias Comrade Hector, announced that they preferred to conduct a cease-fire on a national level rather than on the local level. Here is Comrade Hector's statement:

[Begin Mabilangan recording] ...[words indistinct] of the country and the call by the National Democratic Front [NDF] that peace talks and the cease-fire should be done on a national level, for the purpose of this battle is of national essence and can only be solved if the leaders of the NDF and representatives are the ones who are going to talk. We are ready to answer the call by the NDF. [end recording]

Communists, Military in Heavy Fighting in Marag

HK0310072191 Manila PHILIPPINE DAILY INQUIRER in English 3 Oct 91 pp 1, 12

[By Boy Cabrido]

[Text] Luna, Kalinga-Apayao—Heavy fighting between government troops and communist rebels is raging inside several caves in Sitio Kalayucay in Marag Valley, a military official said.

Col. Roberto Manlongat, chief of the 503rd Infantry Brigade, said several caves in the area were being used by New People's Army [NPA] guerillas as training centers, hospitals, and conference halls, as each cave can accommodate up to 500 people each.

Manlongat said the rebels have resorted to using women and children as human shields to escape pursuing government troops.

But an investigating panel composed of three justice department prosecutors reported in August this year that some 300 villagers have resettled inside a huge cave near their homes after soldiers allegedly looted their houses and confiscated their crops.

The DOJ [Department of Justice] fact-finding mission also said it has submitted to acting Justice Secretary Silvestre Bello III the names of several soldiers accused of raping and forcing Marag women to commit perverse sexual acts.

Manlongat said the NPAs withdrew into the caves to maintain their defense position during the one-hour operation, with government troops unable to follow and return fire for fear of hitting the other civilians holed up in the cavern.

Major Benjamin de la Cruz, who led the 41st Infantry Battalion said they did not risk hitting the civilians inside the caves because of possible charges of human rights violation.

More than 100 civilians have reportedly died as a result of "Oplan Salidummay-Nakilala" ["Operation Plan Salidimmay- Identified"] which the military used to go after communist rebels suspected of holing up in Marag Valley.

De la Cruz said the rebels have planted mines along their escape routes and used Vietnam-type sticks and traps which slowed down the movements of pursuing military troops.

Sniper fire also chased four government choppers as they circled the caves yesterday, with only two Huey helicopters managing a brief landing to bring in fresh supplies and reinforcements.

Soldiers from the other two choppers had to jump about five meters while heliborne [as published] to avoid sniper fire.

The troops recovered 20 drums of diesel fuel, six power saws, land mines with detonating cords, medicines and other medical supplies, sacks of rice, and clothing which the NPAs left in their hurry to escape the pursuing Scout Rangers, De la Cruz added.

Manlongat said air strikes and heavy artillery bombardment in the military's operation may no longer be necessary unless the NPAs are sighted in big numbers.

"Liberating civilians from the NPAs who have established a provisionary revolutionary government in Marag Valley is our main priority since their presence blocks the delivery of basic goverment services in the area," Manlongat said.

Expanding Exports To Boost Self-Reliance Urged

HK0310063291 Manila PHILIPPINES NEWSDAY in English 3 Oct 91 p 10

[Editorial: "More Trade Not Aid"]

[Text] Philippine-American trade will continue to expand despite the Senate rejection of a new bases treaty. This was the agreement reached recently by Trade and Industry Secretary Peter D. Garrucho Jr. and U.S. Ambassador Frank Wisner.

Although no formal accord was signed, this development should help allay the fears of some of our economic managers who foresaw nothing but disaster following the Senate's refusal to ratify the RP [Republic of the Philippines]-U.S. Treaty of Friendship, Cooperation and Security. However, the agreement should not lull us into a false sense of security.

Business and the government should join hands in an integrated program to diversify the country's export as well as export markets.. We should not remain overly reliant on the American and Japanese markets. While we should continue selling to these markets—currently two of the most lucrative in the world—we should endeavor to gain access into other countries.

As far as our exports are concerned, we should try to promote more manufactured products instead of depending on the traditional commodities and raw materials that have been our major exports in the last several years.

The government and the private sector should also look into other innovative ways of increasing foreign trade. A proposal introduced in the House of Representatives seeking to make the Philippines the printing and publishing capital of Southeast Asia deserves serious consideration. The country has the know-how to make this project work. Most of the top graphic design artists now working in Hong Kong and Singapore, for instance, are Filipinos.

All that is probably necessary is for the government to create a special export processing zone where local and foreign investors can put up printing shops and bring in printing equipment and paper duty free. Not only will this scheme allow us to earn much needed foreign exchange, it will provide high-paying jobs to our talented artists and technicians.

The main thing is for us to adopt more outward-looking policies. And the motive is not to be able to borrow more from outside but to be able to increase trade with the rest of the world. The way out of our economic difficulties after all is more trade, not more aid.

Thailand

New U.S. Envoy Calls on Prime Minister Anan

BK0310134391 Bangkok Voice of Free Asia in Thai 1030 GMT 3 Oct 91

[Text] U.S. Ambassador to Thailand David Floyd Lambertson paid a courtesy call on Prime Minister Anan Panyarachun at Government House on the afternoon of 2 October on the occasion of assuming of his new duty here. He hoped that efforts to restore democracy in Thailand as soon as possible will be continued as expected. The U.S. ambassador said that the United States praised the Thai Government for extending good cooperation with the United States in all issues. He believed that problems between Thailand and the United States, such as trade issues, the intellectual property issue, and the Section 301 issue, would be settled in the near future.

Anan thanked the U.S. Government for its preparations to welcome her majesty the queen who is scheduled to visit the United States in October. He also said that relations between Thailand and the United States had been smooth. There should be no obstacles for Thailand's program of democracy. He believed that the general election will be held around February or March next year. In addition, the two sides also discussed cooperation among the ASEAN members.

New Soviet Envoy Calls on Prime Minister Anan

BK0310115391 Bangkok Voice of Free Asia in Thai 1030 GMT 3 Oct 91

[Text] Soviet Ambassador to Thailand Oleg V. Bostorin paid a courtesy call on Prime Minister Anan Panyarachun at Government House on the afternoon of 2 October on the occasion of assuming his new duty here. He said that he would try to promote relations and cooperation between Thailand and the Soviet Union, particularly in the economic field.

Anan said that Thailand agreed with greater economic cooperation bertween the two countries. The Thai private sector has more opportunities to meet their Soviet counterparts following the visit to Thailand by the former Soviet prime minister, which was a good beginning for contacts between the private sectors.

Regarding the situation in the Soviet Union, Bostorin said that the changes in the Soviet Union were continuing. There are still major different opinions between various groups.

Government Downplays Warning Against Protests

BK0310012891 Bangkok BANGKOK POST in English 3 Oct 91 p 1

[Text] The Government yesterday downplayed Supreme Commander and Army Chief Suchinda Khraprayun's warning of drastic action against anti-government activities during the World Bank-IMF annual meeting.

Emphasising that his call for peace during the meeting is just "a request," Gen [General] Suchinda said, however, that a ban on public gatherings might be needed if his plea goes unheard.

Gen Suchinda on Tuesday called for activists to refrain from rallying during the meeting and urged students to take a low-key approach in commemorating the October 14, 1973 uprising which overthrew the military regime of Thanom Kittikachon.

His comments drew sharp criticism from politicians and students.

The Students' Federation of Thailand [SFT] yesterday claimed that the ban, if imposed, would be more damaging to the country because the use of such "dictatorial" measures would destroy the atmosphere of democracy during the meeting.

SFT president Prinya Tewanaruemit, giving the Government a letter protesting against Gen Suchinda's announced move, said the student movement will go ahead with peacful activities to mark the uprising.

He denied that the students are being backed by a political party to stir up unrest during the meeting.

"Gen Suchinda claims protests will damage the country's image but the February 23 coup d'etat has done more damage to the country because it has affected the national economy and the large number of tourists has also dropped," he said.

"Political gatherings are the people's basic right and it is not damaging as many claim," Mr Prinya said.

Immediately after Gen Suchinda's comment, New Aspiration Party member Chaturon Chaisaeng said the general should not be warning people not to cause trouble since it was the Armed Froces' own fault for having "raped" democracy by staging a coup.

Asked about such a ban, Prime Minister Anan Panyarachun said he had no knowledge of one, adding that the Government had never considered anything to that effect.

Deputy Prime Minister Pao Sarasin, responding to a reporter's question, said student gatherings should pose no problem for the finance meeting.

Pol Gen Pao, who oversees the meeting's security preparations, said he did not know whether or not the students would protest or what sort of activities they plan to organise.

But as a former police chief, he thinks gatherings are not unusual and no cause for concern.

"Gatherings are common things. No big deal."

Deputy Prime Minister Michai Ruchupan, on the possibility of a ban, said there would be no such order and that Gen Suchinda's statements were merely a warning not to cause trouble.

He said is common for foreign "professional" protesters to appear in a host country to stage protests against international meetings while they take place.

As for university students planning to commemorate the uprising, Mr Michai said he sees no problem if it is done quietly.

Deputy Defence Minister Gen Wimon Wongwanit said there is nothing unusual in Gen Suchinda's warning except that politicians have made it an issue on which to campaign for votes.

Gen Suchinda said yesterday he only asked activist groups to refrain from making trouble to help project a good image of the country and his warning applied only to the World bank meeting. But he would issue an order banning all public rallies if his request goes unheeded.

"Everyone should think about the interests of the majority and the country," Gen Suchinda said.

Phalang Tham Party leader Maj-Gen Chamlong Simuang said October 14 commemorations have been held annually without any problems.

The suggestion that the event might lead to trouble is mere speculation because the public and students have no wish to see the event being marred.

Groups Protest Charges Against Critic, Monk

BK0310014791 Bangkok BANGKOK POST in English 3 Oct 91 p 3

[Text] Overseas Buddhist and human rights groups have threatened to disrupt the World Bank-IMF conference unless the Government and NPKC [National Peace Keeping Council] drop charges against Sulak Sivwalak and Phra Prachak Kuttachitto.

In letters to Prime Minister Anan Panyarachun and National Peace-keeping Council vice-chairman Gen [General] Suchinda Khraprayun, the groups from the United States, Europe and Japan condemned the charges against social critic Sulak and the conservationist monk as acts of persecution and suppression of human rights.

Many of the groups reportedly threatened to mobilise campaigns seeking the postponement or cancellation of the World Bank-IMF meeting in Bangkok unless all charges against the two were dropped.

The letters, all dated towards the end of last month, were also sent to the World Bank and other national leaders, including Japanese Prime Minister Toshiki Kaifu.

The following organisations sent letters: International Voluntary Services (Washington DC), Asia Watch (New York), Albert Einstein Institution (Massachusetts), International Fellowship of Reconciliation (Netherlands), Swedish PEN Centre, Quaker Peace & Service (London), International Network of Engaged Buddhists—Japan, Nonviolence International (Washington DC), Japan Buddhist Council for Human Rights Issues, Parallax Press (California), Karuna Centre (Greenfield, Massachusetts), Buddhist Peace Fellowship (Berkeley), Fellowship for Reconciliaton (New York), Buddhist Relief Mission (Japan), Traprock Peace Centre (Massachusetts), Buddhist Cable News newtwork (Japan), Lehigh University's Religious Studies Department (Pennsylvania) and the Osaka University Student Council.

The letters cited details of the cases against Mr Sulak and Phra Prachak and condemned what they said was a violation of human and democratic rights.

The International Fellowship of Reconciliation (Netherlands) said its members had read the transcript of Mr Sulak's speech and believed "his remarks are well within any normal standards protected by free speech. Prof Sulak has the right—some would even argue, the obligation in a democracy—to voice his opinions."

It also said: The recent arrest of the Venerable Phra Prachak and other community leaders, and the reports of violence against unarmed villagers make the international community wonder if this relocation is really voluntary or not."

The International Network of Engaged Buddhists—Japan said in its letter to Japanese Prime Minister Kaifu: "Though the Thai military junta announced that they would hold a national election early next year and return power to a democratically-elected government, suppression of freedom of speech and violation of other basic human rights by the Thai military junta in recent weeks make us doubt whether they really have any intention to return power to the people."

The Albert Einstein Institution (Massachusetts) threatened: "If you do not drop the charges against these men, we will do our best to have the World Bank postpone or cancel their meeting in Bangkok."

Joint-Trade Committee Approves Warsaw Center

BK0310043691 Bangkok Radio Thailand Network in English 0000 GMT 3 Oct 91

[Text] A Thai trade center will be set up in Warsaw to encourage bilateral trade and investment between Poland and Thailand. The plan was approved by the Thai-Polish Joint Trade Committee at their meeting in the Polish capital late last month. According to the aide memoire signed at the end of the talks during September 25th to 26th, the two sides agreed to establish a balance in their bilateral trade. To achieve this goal, Thailand will provide greater facility for Polish investors by allowing them to apply for nonimmigrant visa at the Bangkok International Airport. The two sides also agreed to hold regular consultations and constant exchange of information between officials of the two countries. It is expected that both countries would soon enforce a law to promote bilateral trade and investment.

Heading the Thai delegation to the joint trade committee's meeting was Deputy Commerce Minister M.R. Pridiyathon Thewakun.

Military Bank To Expand in ASEAN, Indochina

BK0310030991 Bangkok BANGKOK POST in English 3 Oct 91 p 17

[Text] The Thai Military Bank plans to upgrade itself to an international bank by expanding its business to other ASEAN countries and Indochinese states.

For its local expansion, the bank would not open new branches, but would streamline and improve the efficiency of existing ones, bank president Suppachai Panitchpakdi told BUSINESS POST.

Dr Suppachai said Thai commercial banks had the potential to develop themselves as international banking institutes.

"But for the Thai Military Bank, we plan to gain a strong foothold in Asia before expanding to other regions of the world. We view that the markets in ASEAN coutnries and Indochinese states have the best potential for us to expand our business to and that is why we decided to expand our banking network in those countries first," he said.

Under the expansion plan, the bank would upgrade its existing representative offices in Laos and Vietnam to full branches and open representative offices in Cambodia and China.

"We are also studying plans for investment in Indonesia and Malaysia," he said.

Dr Suppachai, former deputy finance minister and senior bank of Thailand official, said the bank had been approached by a group of investors with a plan to set up a commercial bank, as a joint venture, in China.

"But under the bank's policy, we want to open our own branches, not a joint-venture bank. So we plan to seek permission to set up a representative office in that country and will later upgrade the rep office to a full branch. Having a branch of its own will enable the bank to expand its business with more efficiency," he said.

The bank had a deposit-taking company in Hong Kong and was seeking permission to upgrade it to a full branch.

"The branch in Hong Kong will be able to link up with the rep [representative] office, if we get permission to set it up, in China," he said.

In expanding its businesses to ASEAN and Indochinese nations, Dr Suppachai said the bank would try to minimise risks.

"This will be done through thorough studies on the feasibility of opening branches in these countries. The best way is that we will open only rep offices first, and then our officials stationed in these rep offices will set up relationships with local people and conduct studies at the same time. If the studies show there is potential to expand business, then we will upgrade the rep office to a full branch and local people will be employed to work for the bank," he said.

Branches in other countries would not concentrate only on trade financing, "but also would concentrate on extending corporate loans and helping create business opportunities for Thai business firms".

"We are building relatonships with European banks incorporated in the Middle East so that we wil be able to expand our business to the Middle East through them," he said.

During the World Bank/International Monetary Fund annual meeting in Bangkok between October 15-17, the bank planned to host a reception party for senior executives of other banks.

"We hope we will be able to close certain deals during the party," he said.

For its loan activities, Dr Suppachai said the bank currently had 194 branches nationwide.

"Except for the branches which already have received permission from the Bank of Thailand, we will not open more new branches. But we will improve the efficiency of the existing branches," he said.

Drug Patent Bill To Incorporate Price Controls

BK0210112591 Bangkok MATICHON in Thai
1 Oct 91 p 4

[Text] According to a source at the Commerce Ministry, the pharmaceutical patent bill currently being drafted will have clauses on standard prices of medicines and guidelines for price adjustments in order to prevent price increases. The pharmaceutical patent committee will decide on the matter. It will have the power to require patent owners to supply it with the details about production costs and retail prices. Any adjustment of retail prices in relation to production costs must not exceed the consumer price index. If the prices are too high, the committee will have the power to lower them. According to the source, the committee will compare the production costs of medicines in the same category in order to find a real standard cost of production of each medicine.

Concerning the U.S. call for retroactive protection for medicines registered in foreign countries, in relation to medicines the Food and Drug Control Committee is now considering for registration, the source said the matter would be decided by the cabinet.

Economic Policy Committee Approves Patent Law

BK0310034591 Bangkok THE NATION in English
3 Oct 91 p B1

[Text] The Economic Screening Policy Committee yesterday approved the final draft of the revised patent law to pave the way for patent registration of new drugs, a highly contentious area that had pitched Thai interests against US companies for many years.

The approval came just a few days before Commerce Minister Amaret Sila-on is to meet with US Trade Representative Carla Hills in Kuala Lumpur (Oct 9) after the two-day Asean Economic Ministers Meeting there.

It is widely conceived as giving the minister confidence to negotiate with the United States on the longstanding dispute, which led to Washington's decision in April to put Thailand on its priority watchlist of foreign countries whose policies and practices on intellectual property are inadequate and ineffective in its view.

Although the economic ministers yesterday agreed to extend coverage of the patent law to pharmaceutical products and active ingredients, foods, beverages, farm machinery and biotechnological inventions under US pressure, they rejected Washington's calls to incorporate the patenting of plant and animal varieties as the provision might severely affect farmers' livelihood.

Farm products developed throughdf modern genetic engineering methods such as hybrid high-yielding corns cannot be patented under the new law, but the technology to develop the new strain can, explained Deputy Agriculture Minister At Taolanon.

Meanwhile, PM's Office Minister Phaichit Uathawikun told reporters after the meeting that the cabinet members did not debate retroactive protection for foreign drugs that are not yet marketed locally, a central issue in the Thai-US dispute on pharmaceutical patents.

Amaret, in the letter, suggested that the revised patent law would protect new inventions whose information has not been disclosed before the filing of the patent application in Thailand.

"Products or processes which are readily available before the date of the filing of the patent application will not be protected under the new law," the minister said in the letter.

But the Cabinet's decision to extend the eligible filing period from 12 months after the first filing in the country of origin to 18 months amounts to partial retroactive protection.

Under the present Thai law, after the first filing for patent rights is made, inventors are required to file the application in Thailand within 12 months.

The Cabinet also decided to maintain the state's power to revoke or utilize patents in case of national emergency and public order although the conditions for forced licensing of patents should be narrowed, according to sources.

Amaret noted in the letter that the revised patent act only sought to improve government mechanism to licence patent rights from the original holders effectively and fairly.

In response to internal growing concern over possible price rises as a result of the drug patent, the ministers endorsed the Commerce Ministry's proposal to appoint a Pharmaceutical Patent Committee, chaired by the permanent secretary of the Public Health Ministry. The committee will monitor drug prices to prevent profiteering and patent abuse.

Patent holders of pharmaceutical products are required by the revised law to submit information on retail prices, production costs, sales, earnings and licensing fes to the patent committee.

'Roundtable' Discussion on Draft Patent Law

BK0310040191 Bangkok THE NATION in English 3 Oct 91 p B2

["Excerpt" from roundtable discussion on patents organized by the Coordinating Committee for Primary Health Care of Thai Non-Governmental Organizations [CCPN], with Yanyong Puangrat, intellectual property specialist at the Commerce Ministry; Loesan Thanasukan, member of the government patent drafting subcommittee; Charan Phakdithanakun, deputy secretary general of the Legal Affairs Promotion Office; Aphisit Wetchachiwa of Thammasat University; and Chiraphon Lipananon, lecturer at Chulalongkon University; dated 28 September]

[Text] Yanyong: The Cabinet had appointed an umbrella committee on intellectual property, chaired by Permanent Secretary Phatchara Itsarasena of the Commerce Ministry. Under it are four subcommittees working on patent law, trade marks, copyrights and trade secrets.

(The revised trade mark bill was recently approved by the National Legislative Assembly, the final draft of the patent law is pending, the enforcement of the copyright law is being strengthened and the drafting of a trade secret law is being planned.)

The sub-committee on patent finalized the draft bill according to the recommendations made by the knowledgeable members and submitted the final draft to the Economic Screening Policy Committee on Aug 29. But until now, the deliberation has not yet taken place.

Two main features of the draft bill are provide patent protection to pharmaceutical products, farm machines, food, beverage and biotechnological inventions, all of which are currently rejected patent protection under the Thai law. Moreover, the term of protection should be extended from 15 to 20 years for inventions and from 7 to 10 years for product designs.)

Loesan: As a member of the patent subcommittee, I have to say that the members did not vote unaminously for the final draft, a few people including mysesf did make some reservations and comments on details of the draft. Although I am a panel member, I haven't seen the final draft which was submitted to the economic ministers.

Aphisit: I don't know what is the latest development on the patent issue and that probably reflects the general public lack of information about the amendment process. I don't see the point why the revision of the law has to be done as a matter of secrecy.

If the Commerce Ministry is afraid that the other side (referring to the US) would know all details, which could weaken Thailand's negotiating position, there is nothing more to be afraid of.

Commerce Minister Amaret Sila-on himself did reveal some facts and figures that should not have been revealed to the US Trade Representative Carla Hills before.

(It is in reference to the minister's letter to Hills in late April, shortly before Thailand was designated a priority country subject to retaliation from the US for failing to protect American intellectual property rights in Thailand).

Yanyong: There are four or five drafts but the final cannot be distributed to every member of the panel because if we allow our people to know, the others may also know it as well.

It will not work in the Thai interests. The minister's letter was what the government intended to do to express sincerity in settling the dispute with Washington. Moreover, the law prohibits the disclosure of draft bills.

Aphisit: I would like to propose that the Commerce Ministry disclose the real content of the final draft bill to the public at the maximum level possible so that all parties concerned can respond to it. By that means, the pros and cons of the revision can be examined thoroughly.

Yanyong: The factors underlying our decision to amend the patent law is not to cater to the US demands. The US pressure merely serves as a catalyst.

It is important to understand that Thailand has changed radically in the past in the global economic context. We are now seen as a major player in the international arena. Our economic growth was impressive, making Thailand a focus of developed and developing countries.

As an important economic player, we do have our social obligations to carry as well. We cannot remain noncommittal to the international rules of the game (principally in regard to intellectual property rights protection).

Our economic development has undergone fundamental changes, shifting its reliance on agriculture to manufacturing and export. Other export markets including the European Community and Japan are also keeping a close look on whether we will improve out rules and regulations to meet the international standards.

In this instance, the government has to protect national interests the best way it can. We did not initiate the amendment because other people forced us to; our economic change necessitated such a move.

Aphisit: As an academic, I do not think that we should not amend the patent law, but given the fact that the broad draft agreement on intellectual property in the Uruguay Round of multilateral trade talks is about to be concluded, why do we have to rush to an amendment on a bilateral basis with the US?

Moreover, to use the patent to induce technology transfer, we have to consider other related aspects such as the level of technological capability in the local pharmaceutical industry, measures to protect consumers if prices of medicines rise and measures to counter monopolies of drug companies if there are any (in the event the patent law is amended to allow patent registration of pharmaceuticals which the sub-committee does propose).

Newspapers also repoted that the Commerce Ministry is considering to give retroactive protection to pharmaceuticals as demanded by the US.

Charan: The principle of the patent law is that the state provides patent protection to individuals or companies provided that their inventions are novel and have industrial applications.

If we give patent protection to products already patented in other countries, information concernding the inventions which has to be disclosed as a condition of patent registration has already been made public. The inventors cannot in such cases claim to have the product novelty. This violates the basic principle of the patent law.

The argument as reported is not valid. It says Thailand and the US have negotiated on patent for a long time and if Thailand agreed to make concessions on the first day of the talks, products invented at the time would already have been covered by the patent law now. Therefore, if the new patent act comes into force today, these products should also still be eligible for patent registration in Thailand.

It may be acceptable to protect those inventions being submitted for registration in other countries, whose information has not yet been disclosed as a public record, at the time when the new Thai patent law comes into effect.

The time lag should be one or two years only. But I don't think we should give retroactive protection to as far back as 10 years as demanded by the US.

Yanyong: Novelty can be described as never having existed in Thailand nor having been disclosed to the public in and outside the country. The pipeline protection that we are talking about concerns the eligibility of pharmaceutical products which are under clinical trial by foreign Food and Drug Administration for patent registration.

These drug products are not yet available on a commercial basis anywhere. We have not yet decided whether the retroactive protection should be granted.

Charan: Patent protection and the availability of the products on the market are different issues. In patent, we consider whether the technology used in developing those products are new, but we do not care whether they can be sold in the market or not or whether they will pass the clinical test by the FDA.

Yanyong: In retroactive protection, there are two options, if at all. First, we may revise the pharmaceutical registration that would amount to temporary patent protection to drugs new to the Thai market. During the period of evaluation of the drugs by the Thai Food and Drug Administration, the inventors or their representatives may be allowed restricted marketing of the products.

However, we will still face the problem because there are no supplementary measures such as information disclosure requirement or others as required under the patent registration process. Or we may consider giving the pipeline protection in the law or the Cabinet may decide to approve it as an interim measure.

Aphisit: It seems that the Commerce Ministry has adopted the US view point in weighing the patent issue. Protecting intellectual property rights has to be in line with the level of development in each country. It is not the question of maintaining friendly relations with the US alone.

In the East, we do not think of medicine as a type of good, but rather as a service that the state has to provide to its citizens. We still lack other fundamental mechanisms to protect the consumers, to break monopolies and to help people in rural areas make an informed choice.

Chiraphon: I agree. The government still sees the drug patent registration as a means to induce technology transfer (for information relating to the invention has to be disclosed to the public sufficiently so that experts can duplicate. Imitation is allowed after the expiry of the patent protection that is 10 or 20 years depending on the types of protection).

In fact, we have to look at the structure of the local pharmaceutical industry to determine local producers' capabilities to absorb new technologies. We are at the very beginning stage. If we give product protection to drugs, local producers can no longer produce the same products to compete with the orginal because they are prohibited to do so under the revised law.

Yanyong: Most people tend to believe that we should be self-reliant in everything, which is impossible. The government has to be selective and weigh the pros and cons from various angles.

To develop the pharmaceutical industry to meet the demand of self-reliance, we have to ask ourselves whether we have a strong chemical industry; or whether we invest in research and development sufficiently to make it viable to develop medicine, whether we have enough personnel in pharmaceutical science and technology.

The panel did debate whether we should force foreign companies producing original drugs to invest 10 percent of their sales in R&D [research and development] in Thailand. The question was not whether we could make such a law, but whether we can enforce it effectively.

Aphisit: I agree. What worries us is not the local drug makers, but consumers who have to pay higher prices for the drugs. Are there any mechanisms to counter the adverse impact on consumers. Giving patents to medicine amounts to giving monopolistic power to them to produce and market the patented products.

Yanyong: We never tell anybody that drug prices will not rise in the event of patent protection being granted. What we expect is that the price increase will be of an acceptable level, that is, in proportion to the consumer price index (CPI).

Loesan: At this point, there are at least three studies on the comparative price changes of drugs. The price increases range from 10-20 percent in one study to 500 percent in another.

Chiraphon: This depends on the calculating modes applied in each study. In our study, in which you may find the price increases exorbitant, we do take into account the actual pharmaceutical products that hospitals use.

We do not base our study on the number of prescriptions of the Public Health Ministry, hundreds of which are no longer on the market. To use this method, only reduce the size of new drugs to a minimum.

In hospitals, the prices of new drugs accounted to nearly 50 percent of the receipt, although the number of new drugs is not that remarkable.

Yanyong: Our figure is obtained from a consulting company. Because of a small proportion of new drugs in the market, we expect the price to rise only 10-20 percent.

I think, it rests with the government to decide their policies and priorities based on arguments that every party has presented.

Official: Defense Budget Increase 'Impossible'

BK0210120391 Bangkok Radio Thailand Network in Thai 0000 GMT 2 Oct 91

[Text] With reference to the military request for additional funding for weapons procurement, Budget Bureau Director Bodi Chunnanon said the Budget Bureau has already completed its work on budget allocations for the 1992 fiscal year and any extra requests must come under the new fiscal year. He said that allocations for the Defense Ministry will be used according to request. Should there be a need to adjust or change its budget, the Defense Ministry will have to alter fund allocations within the ministry's framework. It is impossible to comply with the request for additional funding under the 1992 fiscal year.

Suchinda Urges Government To Halt Sugar Exports

BK0310015691 Bangkok THE NATION in English 3 Oct 91 p B 10

[Text] Supreme Commander and army chief Suchinda Khraprayun said yesterday the government should stop exporting sugar, if possible, to help lower domestic prices of the product.

Limits on the expansion of cane planting areas and sugar refineries should also be imposed to make the plan to cut prices of sugar in the country more effective, Gen [General] Suchinda said.

Suchinda said the current surplus in sugar output had forced the government to subsidize sugar exports in order to speed up the flow of sugar stock, making its prices cheaper than the product sold in the country.

"I think that, if possible, the government should stop exporting sugar, to help Thai people consume sugar at low prices and to reduce costs of industries using sugar as raw material," the top military leader said.

Calling owners of sugar refineries at the national level influential people, Suchinda voiced opposition to Deputy Industry Minister Wira Susangkowkan's plan to allow sugar refineries to open freely, saying sugar cane production should, on the other hand, be reduced and the government should promote the planting of other cash crops instead.

Suchinda said he had already proposed the halt in sugar exports and the limitation of cane production to the government.

"But I don't know how far the government has gone on the proposal," he said.

Burmese Timber Reexport Proposal Again Rejected

BK0310020491 Bangkok THE NATION in English 3 Oct 91 p B 10

[Text] The Economic Screening Committee, for the second time, has rejected a proposal from four timber companies to re-export processed wood and logs imported from Burma.

The request was first turned down last week, after the National Security Concil submitted the proposal from the four firms, following expiry of their bonded licences on 30 Sept.

The four firms are Santi Forestry Co, Thai Pong Sawmill Co, TCK Sawmill Co and Hong Hong Lee Sawmill Co.

Following the first rejection, TCK Sawmil lobbied hard and submitted a petition on behalf of all the firms to the Prime Minister to reconsider.

Prime Minister Anan Panyarachun on Sept 30 signed an urgent note ordering the Economic Screening Committee to reconsider the proposal.

In its petition, TCK Sawmil said the four firms had substantial stocks on hand unsold due to the economic stagnation following the Gulf War. It argued that the military coup in February further dampened the export prospect.

The four irms were shouldering heavy financial burden, and the logs and processed wood they were carrying could not be used by the local furniture industry, since the wood was suitable for ship building.

The petition argued that the four firms stood to suffer heavy losses in the absence of approval to extend the bonded licences.

The Economic Screening Committee rejected the proposal on the ground of insufficient information submitted, and asked officials to gather more information on the volume of stocks on hand held by the companies, and the period of extension.

The Committee rejected the proposal the first time on the ground that the government had a strong conservation policy and by yielding to the request it could damage the country's image as host of the World Bank/International Monetary Fund meeting scheduled to take place shortly.

Suchinda Contradicts Kaset on Constitution Issue

BK0210114391 Bangkok BANGKOK POST in English 2 Oct 91 p 1

[Text] The Government will not have to resign if the draft constitution is rejected by the National Legislative Assembly (NLA), Army Chief and Supreme Commander Gen Suchinda Khraprayun said Monday night.

Gen Suchinda, commenting on the fate of the Anan Panyarachun Administration if the NLA rejects the draft, told senior journalists the Government would not have to resign as the draft was the work of a committee appointed by the NLA. It had nothing to do with the Government.

The clarification by Gen Suchinda, the deputy chairman of the National Peace-keeping Council, clears some confusion over the fate of the Government following repeated statements by Air Force Chief ACM [Air Chief Marshal] Kaset Rotchananin that the Government should resign as a matter of political etiquette if the draft charter was rejected.

Political analysts had suggested that ACM Kaset might have been confused in making the statements. It is normal practice for a government to exercise political etiquette by resigning if an important piece of legislation which it proposed was rejected by parliament.

Gen Suchinda said it was clearly written in the interim constitution now in force that, should the present draft be rejected, one of the previous constitutions would be picked and any necessary adjustments made before it was promulgated.

He called on political groups to "play by the rules" instead of lobbying for changes which favour their respective positions insofar as the electoral system is concerned.

The general was referring to the growing battle over the electoral system between the pro-military Sammakki Tham Party and the New Aspiration Party led by former military chief Gen Chawalit Yongchaiyut.

The former favours a party slate system whereby voters choose all the candidates on a party ticket, while the latter prefers the old system where voters can choose individual candidates from different parties running in the same constituency.

Editorial Contrasts Kaset, Suchinda Statements

BK0310020591 Bangkok BANGKOK POST in English 3 Oct 91 p 4

[Editorial: "Different Strokes for Different Folks?"]

[Text] Compared to his colleagues in the National Peace-keeping Council leadership, Air Force Commander-in-Chief ACM [Air Chief Marshall] Kaset Rotchananin should be credited, at least, for his outright frankness and straightforwardness in expressing his political thinking.

In a recent series of press interviews, the air force chief who is concurrently deputy chairman of the National Peace-keeping Council (NPKC) did not hesitate to hide his distrust—and even contempt—for career politicians when he expounded his political views on the Constitution. He lambasted politicians in general for causing political woes now besieging the country and said pointedly that they must be disciplined through, among other measures, the introduction of a party slate electoral system.

Moreover, he wants the new Constitution, which is now in the process of National Legislative Assembly scrutinisation, to be amended to give more "check-and-balance" powers to the appointed senators, to make unrestricted room for non-elected individuals to hold ministerial posts. The air force chief further said the next prime minister should be a general and unembarrassingly added that he himself would accept the next premiership if "invited."

His expressed political ambition aside and notwithstanding the political thinking of other NPKC leaders, the views and attitudes from a man of ACM Kaset's stature do not augur well for the prospect of a restoration of genuine democratic rule to this country. Let us hope that ACM Kaset and other NPKC leaders are broad-minded enough to take into consideration other divergent political opinions. But if the rules of the political game are to be written in favour of a small group of people who claim the sole right to dictate the country's future political course and who perceive themselves to be more patriotic and politically responsible than others, there is then a serious risk that the next general election may be a mockery of democracy.

One of the more disturbing aspects of ACM Kaset's political thoughts, something which he has kept repeating in recent days, was his suggestion that Prime Minister Anan Panyarachun's government should resign if the draft Constitution fails to pass the approval of the National Legislative Assembly. This was contrary to subsequent clarifications by Army Commander-in-Chief and NPKC deputy chairman Gen [General] Suchinda Khraprayun who pointed out clearly that the Government need not quit after all, because the draft charter was the handiwork of an NLA-appointed committee.

These conflicting statements by the two leading NPKC figures only serve to fuel public confusion and heighten political uncertainty—not to mention the apprehension caused to the business community already constantly bombarded by rumours of simmering conflict between the Government and the NPKC and of an early departure of the Government. Had ACM Kaset been more discreet and bothered to look into the interim Constitution which was enforced by the NPKC itself, he would have seen that one of the previous constitutions will be chosen for possible promulgation if the current draft that is being scrutinised is rejected. Whatever embarrassment to the NPKC or himself could have been avoided.

While his frank articulation on the type of constitution he prefers may be appreciated, ACM Kaset should have realised that at least in theory the job of drafting, scrutinising and eventually passing the new Constitution rests with the NLA members as a whole. The rationale he put forward that the Government should resign on behalf of the NPKC in the event that the draft Constitution is rejected does not hold water to say the least, because if anyone were to be held responsible at all it should be the NPKC which caused the draft charter to come into being.

Since the public may be left with little choice anyway as to which of the generals will finally make it to the premiership, they should at least be spared the unnecessary confusion and uncertainty. The NPKC leaders can do the public a service by at least speaking in harmony on politically sensitive issues.

Prime Minister on Criticism, Remaining Projects

BK0310014191 Bangkok BANGKOK POST in English 3 Oct 91 p 1

[Text] Prime Minister Anan Panyarachun yesterday shrugged off criticism of his administration by National Peace-keeping Council deputy leader, ACM [Air Chief Marshall] Kaset Rotchananin.

On Tuesday ACM Kaset attacked the Government over alleged inefficiency.

However, yesterday the Prime Minister told reporters: "You have to direct questions (of inefficiency) to Khun Kaset".

On the allegation of slow decisions on huge mass transit projects, Mr Anan said the Government has already reached a decision on several projects.

As for the remaining projects, the Prime Minister said the delays were not caused by indecisiveness.

The problems, he said, revolve around the need for sufficient information and the settlement of different views.

Asked about the future of Hopewell's elevated train project, the Prime Minister said there would be another meeting on the matter today but evolution.

Excise Department Not To Adjust Cigarette Tax

BK0310021491 Bangkok BANGKOK POST in English 3 Oct 91 p 17

[Text] The Excise Department will not adjust the excise tax rate on cigarettes as the rate hike would allow smuggled cigarettes to capture a larger market share, Excise Department Director General Kowit Poshyanon said.

Mr Kowit said the present rate of 55 percent of the retail price was proper.

"If the rate was raised, it would make legal cigarettes' retail prices higher, enabling smuggled cigarettes to capture more market shares," he said.

Vietnam

Vo Van Kiet, Nguyen Manh Cam Meet Vessey

BK0210150191 Hanoi Voice of Vietnam Network in Vietnamese 1430 GMT 2 Oct 91

[Text] According to an agreement between the Governments of the Socialist Republic of Vietnam and the United States, General John Vessey, special emissary of the U.S. President, visited Hanoi on 1 October 1991.

The emissary was received by Vo Van Kiet, chairman of the Council of Ministers. In an open and constructive atmosphere, Chairman Vo Van Kiet exchanged views with General John Vessey on remaining issues and prospects for the two countries' relations.

General John Vessey also held talks with Nguyen Manh Cam, minister of foreign affairs, on measures to accelerate cooperation in solving the two sides' humanitarian issues.

At the conclusion of the talks, the two sides issued a joint communique.

On the afternoon of 2 October 1991, the special emissary of the U.S. President left Hanoi.

Discuss MIA Issue, Cooperation

BK0310115191 Hanoi Voice of Vietnam in English 1000 GMT 3 Oct 91

[Text] Vietnam is ready to cooperate with the U.S. side in seeking and collecting remains of Americans missing in the Vietnam War to handover to the U.S. side.

Vietnamese Foreign Minister Nguyen Manh Cam was speaking to newsmen in Hanoi Wednesday, 2 October, at the end of the two-day visit to Vietnam by General John Vessey, special emissary of the U.S. President.

Asked about efforts made by Vietnam in seeking information and remains of Americans missing in Vietnam, Foreign Minister Nguyen Manh Cam said: We always hold that missing in action issue is a humanitarian one. In the spirit of humanitarianism, we have actively cooperated with the U.S. side. Through the missing in action office in Hanoi, we perhaps solve this issue with concrete goodwill without any political conditions.

Also on this problem, General John Vessey said:

[Beging recording in English] We are dealing with very difficult issues. We are searching for answers to questions, some of which are very difficult to answer, some may be unanswerable. I am very pleased that we have opened the office here. I intend to go back and recommend to the President of the United States that the office be made a permanent office, and we have worked with the Vietnamese to look at specific ways to improve the cooperation between our people and theirs to make that office more efficient, in view of the United States' need to do more to make the office more efficient. We have agreed to continue to refine our efforts together so that we do come up with satisfactory answers. We have examined a broad range of specific issues that need to be addressed in doing the work that we are doing in the field in our joint investigations, in cooperation between our office and the Vietnamese office for seeking missing persons: some things that the Vietnamese side needs to do to improve, some things that the U.S. side needs to do to improve, and some things that we are going to cooperate on to make our joint operation better. I would just add that I am pleased with the agreements that we have reached here, and I am confident that now we can translate that into effective work that we will move along much more rapidly than we have been moving. [end recording].

'Joint Communique' Issued on Vessey's Visit

BK0210152591 Hanoi Voice of Vietnam Network in Vietnamese 1430 GMT 2 Oct 91

["Joint communique" on 1-2 October visit by General John Vessey, special emissary of the U.S. President]

[Text] According to an agreement between the Governments of the SRV and the United States, General John Vessey, special emissary of the U.S. President visited Hanoi from 1-2 October 1991.

The U.S. President's special emissary was received by Vo Van Kiet, chairman of the Council of Ministers.

General John Vessey held talks with Foreign Minister Nguyen Manh Cam. Both sides highly valued the results of the unilateral and bilateral investigations that have contributed to the determination of the fates of the discrepancy cases to which both sides have given priority investigation since September 1988.

The U.S. side welcomed the efforts on the part of Vietnam to shed light on fabricated reports and photos alleged to be of missing Americans. Both sides will continue their cooperation in quickly investigating such reports and photos.

Both sides confirmed their determination to move quickly toward the fullest possible accounting of the Americans missing from the Vietnam war and to continue the recovery and repatriation of remains found.

The U.S. side highly appreciated the Vietnamese Government and people for having implemented the Orderly Departure Program to resettle in the United States Amerasians and the detainees released from reeducation centers.

The U.S. side made known recent actions of the U.S. Government to facilitate efforts to address the humanitarian needs of the Vietnamese people by nongovernmental organizations, as well as its direct contribution to addressing those humanitarian needs.

The Vietnamese side welcomed this fact and hoped these efforts would be further broadened and increased.

Both sides reaffirmed the desire of their governments for the early normalization of relations between Vietnam and the United States.

Both sides are satisfied with the agreements reached during their discussions with the aim of accelerating the resolution of their humanitarian issues.

Both sides will meet again at a date and place to be determined later.

[Dated] 2 October 1991

Forced Repatriation of Boat People Possible

BK0310110091 Hong Kong AFP in English 1044 GMT 3 Oct 91

[Excerpt] Hanoi, Oct 3 (AFP)—Vietnam refused to rule out Thursday the possibility of forced repatriation of boat people from camps in Southeast Asia, saying only that there were better ways to bring them home.

"It is not the best measure," Foreign Ministry Spokeswoman Ho The Lan told AFP following a press conference here. "We should find another measure to encourage them to come home in a dignified and orderly manner."

Asked whether Vietnam would accept forced repatriation if no other countries objected, she said, "we must continue discussions to find a solution."

Vietnam had previously always stated that it would only accept boat people who were repatriated voluntarily or did not object to repatriation. [passage omitted]

Head Delegate Speaks at UN General Assembly

BK0310073691 Hanoi VNA in English 0559 GMT 3 Oct 91

[Text] Hanoi VNA Oct.3—Addressing the current 46th session of the UN General Assembly on October 1, Deputy Foreign Minister Tran Quang Co, head of the Vietnamese delegation to the session, stated that Vietnam wants to extend a hand of friendship to all countries in the international community and its commitment to work for peace, national independence and development.

The Vietnamese head delegate said: "Against the background of an impending solution to the Cambodian problem, of the notable improvement in relations between Vietnam and ASEAN countries, and of the evolution of the normalization process between Vietnam and China in a direction favourable to regional peace and stability, Vietnam holds the view that countries of Southeast Asia now have a better opportunity than over to build together a region of peace, stability, cooperation and development after several decades of conflict and confrontation."

Having noted that the world is witnessing "the most powerful and far-reaching evolution since the Second World War," Tran Quang Co said: "The world needs a more just sane new international order. A definitive end must be put to all forms of hegemony, of military, political or economic intervention or coercion by large countries against smaller ones, by the minority at the expense of the majority. Nations need to cooperate freely, on an equal footing and to mutual advantage for the common cause of peace and development'.

He further said: "Guided by our line of renewal in foreign policy, we are constantly aware of the need to promote regional cooperation as an indispensable premise to the implementation of our policy of expansion of our relations of international cooperation, of consolidation of relations we have entertained up to now with former friendly countries and with non-aligned countries, together with the broadening of cooperation on an equal footing and on the basis of mutual benefit with other countries in Asia and the Pacific, in Western Europe, Scandinavia, and with the promotion of normalization of relations with the United States."

Automobile Venture With Philippines Established

BK0210094091 Hanoi Voice of Vietnam Network in Vietnamese 0500 GMT 30 Sep 91

[Text] Authorized by Vietnamese and Philippine Governments, the VNP Automobile Production Joint Venture Enterprise, an international cooperation between Vietnamese automobile companies and Philippine automobile companies in Vietnam, has been established.

The enterprise will assemble and produce cars, trucks, and buses to meet the domestic demand and for export. According to its plan, until the end of 1994, the VNP Enterprise will produce 11,000 cars of different kinds.

Leadership Greets Yasir 'Arafat on Reelection

BK0210154591 Hanoi VNA in English 1518 GMT 2 Oct 91

[Text] Hanoi VNA Oct. 2—State Council President Vo Chi Cong today extended congratulations to Yasir 'Arafat on his re-election as president of the State of Palestine and chairman of the Palestine Liberation Organization (PLO).

The congratulatory message wished the Palestinian people new successes in their just struggle, and the fraternal solidarity between the Vietnamese and Palestinian peoples constant consolidation and development.

Foreign Business Delegations Visit Province

BK0210155191 Hanoi VNA in English 1512 GMT 2 Oct 91

[Text] Hanoi VNA Oct. 2—So far, 102 foreign business delegations from Japan, Hong Kong, France, Australia, South Korea, Taiwan, Laos and Singapore have arrived in the central province of Quang Nam-Da Nang to explore possibilites of cooperation and investment.

Most of these groups have shown their interest in marine-product processing, ship building, power industry, oil and gas industry, forest products in Quang Nam-Da Nang and other provinces of central Vietnam.

Eight foreign-invested projects in the province with a total capital of almost 25.3 million U.S. dollars and 1.7 million roubles have been licensed.

UNDP, IMF Bank Development Project Under Way

BK0210154991 Hanoi VNA in English 1514 GMT 2 Oct 91

[Text] Hanoi VNA Oct. 2—The project on the development of Vietnam's financial system, codenamed VIE/90/005 is being under way after a preparatory period.

Advisors on banking and banking inspection have been sent to the state bank of Vietnam.

The project, signed on March 1, 1991 by representatives of the Hanoi-based UNDP and the Vietnamese Government, is funded by UNDP and executed by the International Monetary Fund (IMF), under which UNDP contributes U.S.$1,917,750 including expenditures on specialists, advisors, training, equipment...

Representatives of the parties involved in the project met here yesterday to review the implementation of the project and discuss things to be done in the coming period.

Joint Gas Factory With France To Open in 1992

BK0310075591 Hanoi VNA in English 0618 GMT 3 Oct 91

[Text] Hanoi VNA Oct. 3—A gas factory, a joint venture between the union of building materials enterprises of Ho Chi Minh City and the Elf Antargas Company of France, is being built in Tan Thuan Dong village, Nha Be district, Ho Chi Minh City.

The venture, the first of its kind so far, was licensed by the State Commission for Cooperation and Investment in May last, under the brandname 'Elf Gas Saigon'.

The well-equipped factory has a yearly output of 25,000 tons of gas. It is expected to become operational in mid-1992.

Le Kha Phieu at Engineer Corps Party Congress

BK0310101391 Hanoi Voice of Vietnam Network in Vietnamese 1400 GMT 30 Sep 91

[Text] On 24-26 September, the Engineer Corps held its eighth second-round party congress. Attending the congress were 189 delegates from 19 various party committees. Representatives of the Military Central Control Committee and the Personnel Section of the Political General Department of Vietnam People's Army [VPA] also attended the congress. Comrade Lieutenant General Le Kha Phieu; member of the party Central Committee, standing member of the Military Party Central Committee, and director of the VPA Political General Department; directed the congress.

In its three working days, the congress seriously and honestly evaluated the successes and failures of the party committee during its 1986-1990 term. The congress unanimously agreed that in the past five years, despite the complicated changing of the international and domestic situation, the party committee stepped up its education work on politics and ideology, constantly strengthened the party organizations, enhanced the fighting spirit and leading capacity of party organizations and party members, and maintained the good service of its mass organizations.

At the same time, the party committee has also improved cadres' and soldiers' life. Therefore, the ideological situation has been stabilized leading to important progress in the corps. The party committee has satisfactorily fulfilled its function as an adviser to the Ministry of National Defense in building and training the corps.

Regarding the 1991-1995 plan, the delegates enthusiastically discussed and suggested many practical measures to thoroughly understand and creatively implement the resolutions of the National Party Congress, the Party Political Bureau, and the Party Military Central Committee in the duties of national defense and building the corps. They also discussed measures to continue enhancing the leading capacity and fighting spirit of party organizations at all levels and improving the cadres' quality by stepping up the work of training and supervision, as well as the fight against corruption, bureaucracy, and violations of regulations.

Besides, the delegates also agreed about measures to build the corps, improve training quality, and form more units with high moveability. These are constant and major tasks which have been focussed on by many unit commanders.

The prominent success of the corps party congress is its high unanimity in the 1991-1995 plan of the corps' building, its absolute belief in the leadership of the Seventh Party Central Committee, its rejection of the ideas of multiparty and political pluralism, and its determination in the path of socialism, which was chosen by our party and Uncle Ho.

Addressing the congress, Lieutenant General Le Kha Phieu highly evaluated achievements scored by the corps party committee over the past five years in building the corps, providing services to combat activities, and performing international duties by helping the brotherly Cambodian people.

After analyzing the international situation, the main characteristics of the domestic situation, and the duty of army building; Comrade Le Kha Phieu stressed the need for the party committee to focus on some major tasks. These involve enhancing combat readiness in engineer units, persistently strengthening the party organizations, and improving the quality of party members and cadres. He also instructed the party committee to do well the planning and training of young officers, strengthening of solidarity and unification in the party and the corps, maintaining and using resources and equipment when their replacements are not available, and the continuation of the economic duty and the application of economic efficiency in supplying and renewing equipment.

He urged cadres and party members of the party committee to develop their achievements, overcome weaknesses, and satisfactorily implement their targets so they can—together with the entire Army and people—successfully implement the resolutions of the Seventh National Party Congress.

Mekong Committee Holds Meeting on Water Law

BK0210155591 Hanoi VNA in English 1508 GMT 2 Oct 91

[Text] Hanoi VNA Oct. 2—A 7-day workshop on national water laws and institutions was opened here today jointly by the interim Mekong Committee and the Mekong Committee of Vietnam with financial assistance from the commission of the European Communities (EC) and the Asian Development Bank (ADB).

This is the second of its kind following the one held in Bangkok, Thailand, last March within the framework of the project "Preparatory Organization and Legal Studies".

This workshop will focus attention and discusion on domestic water laws and instititutions of Laos, Thailand and Vietnam. Current international practices and experiences of legal and institutional issues in other part of the world will be presented and discussed. The workshop will also benefit Vietnam in compiling its national water laws.

Participating in the workshop are experts of the interim Mekong Committee member countries—Laos, Thailand, and Vietnam—officials of the committee's Secretariat, representatives of the EC, ADB, the United Nations Department of Technical Cooperation for Development (UNDTCD), FAO [Food and Agriculture Organization], UNDP [UN Development Program], and experts from Italy, Australia, Canada, etc.

A delegation of Cambodia participates in the workshop as observer.

Mr. Phan Si Ky, deputy minister of water resources and vice president of the Mekong Committee of Vietnam, opened the workshop.

Over 2.8 Million Tons of Crude Oil Said Tapped

BK0210064791 Hanoi VNA in English 0553 GMT 2 Oct 91

[Text] Hanoi VNA Oct.2—In the first nine months of this year, the Vietnam oil and gas corporation (Petro Vietnam) tapped more than 2.8 million tons of crude oil, 273,000 tons more than planned.

So far this year Petro Vietnam has won contracts with some Australian and Malaysian companies to explore oil and gas on Vietnam's continental shelf

People's Mastery, State Management Discussed

BK3009124791 Hanoi NHAN DAN in Vietnamese 11 Sep 91, p 3

[Part 2 of Article: "Some Issues on the Relations Among the Party Leadership, the People's Mastery, and the State Management" by Vu Oanh, Member of Party Central Committee Political Bureau]

[Text] C. The issue of state management: The state manages the society by law. The law represents the lines and policy of the party as well as the desire, aspirations, and interests of the people. Simultaneously, state management is also aimed at developing the people's mastery-generated strength, catering to the interests of the people, and smashing those schemes and tricks against the people and socialism. The state should continue to introduce various laws aimed at ensuring the acceleration of the renovation process and gradually perfecting socialist democracy. State laws, regulations, and systems should be substantiated into statutes and stipulations compatible with the situations of each establishment, if we are to improve the role of the people and their sense of responsibility and their right to mastery. The state is an organ representing and exercising the people's power. It is a tool with which the people achieve their mastery and the party exercises its leadership over the entire society. The state is both an organ of political power and an organizational and operational organ for social construction, for economic, cultural, and social development, and for domestic and foreign affairs. It is also an organ that provides overall management for the country. Although our country is a democratic state of the people, by the people, and for the people, it is now still weak, cumbersome, and ineffective. We should perfectly build our state into a people-elected organ of power reflecting a broad unity of all strata of the population and of all Vietnamese, based on the firm foundation of the alliance among the worker-peasant class and the socialist intelligentsia. It is necessary to build a democratic system capable of ensuring that citizens can freely choose their own representatives and exercise their mastery over the state, not only in their capacity as consultants with the right to know and discuss, but also as those with the right to participate in making decisions over major issues concerning everyday life and the country.

Democracy must go alongside with discipline and public order. Democracy should be exercised within the scope of law. The higher the people's knowledge, the broader democratic development is. This means that the law (should be the socialist law) is to maximally broaden all the rights and freedoms of the people. Democracy should be developed within this broadened scope of law. Failing to toe this line will lead to an anarchic democracy and will trigger social unrest, thus making it impossible for the state to survive and develop. Our democratic state does not approve of that type of democracy, namely anarchic and bourgeois democracy. Our existing democratic state should be built into one for the people—one that operates according to the law enacted by the representative organ of the people. All of the law and institutions should be aimed merely at protecting the people's rights and duty. The state should also place itself under the jurisdiction of the law. The law-abiding state should legalize all activities in society. This means that it should come up with regulations regarding working and public relations, and those concerning the duty, rights, and method of benefit distribution in an elected, economic, or production unit. For instance, in public organs or enterprises, it is necessary to work out regulations governing the selection of cadres, recruitment of personnel, and the handling of wages, commendation and awards, rest and recreation, and convalescence. In an elected unit, there should be regulations governing its internal activities and the building of a pattern of public order and security. Irrespective of their positions and grades, members of these units should strictly comply with the state law and their unit's by-laws. The state should exercise its management on the basis of these laws and regulations. Every organization and every citizen should live and work according to the law and regulations without exception. It is necessary to build an organizational structure capable of doing away with unnecessary intermediary links, keeping the working apparatus compact, clean, and effective; exercising control, supervision, and judgment according to the law; maintaining discipline and public order; and strictly dealing with law offenders and unlawful actions.

A compact and effective apparatus is one that is barely sufficiently staffed to oversee law enforcement, according to the stipulations and law. For quite a long time, due to our bureaucratic and state-subsidy mechanism, our day-to-day businesses have been run by handing down directives and orders from higher echelons (when it comes to those matters requiring consideration, issuance, and approval). This has spawned a cumbersome apparatus with more than the necessary personnel to handle the job. This has inevitably led to inconveniences such as red tape and negative phenomena, which has aroused the indignation of the people and adversely affected relations among the party, state, and the people. For example: To get a ration card, one need only provide his home address and his employer's address. An applicant by right, should only need to go to one place to get this card. However, in reality, he has to go to up to four or five offices before getting it. Not only is this slow, it has also given rise to negative phenomena and inconvenienced people.

While preparing legal documents, we should take into account the objective law and ensure that these legal documents reflect the party's lines and policies, and meet and protect the people's legitimate interests. The state should show the people how to live and work according to the law. Laws should be applied by the state to all without exception. Only by so doing can national order and discipline be maintained and the people truly enjoy democratic liberties. The state apparatus of various grass-roots organizations—the venue of daily contacts with the people—should set standards on responsibility and attitude for state officials as they serve the people and this should be publicized for information and supervision.

The administration at various levels should meet the public people. They should listen to their views and promptly resolve their complaints and denunciations, enable them to express their aspirations, and give prompt and clear answers to their questions. The people's administration should be support to the people. It should get to know the people and serve them. The people are dutybound to oversee the administration and make it dependable. The relations among the party as a leader, the people as the master, and the state as the manager are closely-related, dialectical relations.

3. Firmly grasp the working class concept so as to correctly deal with the interests-related issues.

The resolution of the Sixth Party Central Committee's eight session says interests-related issues should be a driving force of the revolutionary movement. The party's renovation undertaking can only be successfully carried out through the people's revolutionary movement. One of the driving forces of this movement is the successful resolution of the people's essential interests. In a society where the people are masters, individual, collective and national interests should be closely compatible while individual interests should be regarded as the motivation. Meanwhile, for the working class, their interests should be linked with the interests of the laboring people and the nation. Harmony among the three types of interests is necessary. We should be concerned with the interests of each citizen while preserving collective or national interests. If we concern ourselves with individual interests only and ignore collective interests, how can we create a firm foundation to preserve individual interests? Only by building and strengthening national defense, safeguarding the fatherland, and successfully building socialism can we preserve the interests of every citizen. We should also harmonize immediate and long-term interests. All party and state activities should be based on the immediate and long-term interests of the whole population. We should promptly resolve the people's interests and aspirations arising from their daily lives. Furthermore, we should attach importance to ensuring capital accumulation for the state and ensuring the building of the material-technical bases to meet the country's future needs. We should overcome our heavy preoccupation with motivating people's strengths while paying no attention to reviving them. We have failed to notice this because we were only concerned with segmented interests at the expense of the collective or national interests. We should correctly resolve immediate and long-term interests and concern ourselves with building party lines and policies and state law. Only by basing themselves on policies and the law can people find a correct premise for their activities and ensure a harmony in party building and supervision, in state management, and in eliminating violations against the interests of the people and the country.

On the other hand, it is necessary to make the people realize that their legitimate interests and rights must always be accompanied by their duty and obligation as citizens. They should be aware of their obligation and duty as citizens and should refrain from making erroneous demands for privileges.

4. One of the key, important issues is how to renovate various mass organizations.

Our party has always affirmed that mass organizations play a very important role in our political system. However, mass organizations have lately caused their role to fade away because of bureaucracy and red tape. They have been slow in renovating the contents and form of their method to gather the people of various strata. Therefore, mass organizations should think of a way to renovate themselves. The renovation of mass organizations should be directed at promoting unity among youth union members and and mass organization members so they can jointly care for their own realistic interests and contribute to the common cause of the country. They should help build and defend the revolutionary administration as well as the party. Through this, members will feel closer to their organizations and will improve their love for the country and socialism and motivate the people to fulfill their duty toward the country.

We know that the strength of the masses lies in their regimentation. But on what basis should they be organized? And in accordance with what format? The resolution of the sixth party Central Committee's eighth session points out that we should use diverse forms for gathering the people. In addition to those political and social organizations, it is necessary to direct our efforts at organizing the people according to professions, economic-technical sectors, and the needs of the people in all areas—scientific, technical, literary, artistic, calisthenic, sport, humanitarian, and friendship. Formerly in the fight for national liberation, we had trade unions, peasants' associations, youth unions, women's associations, and front committees. During the war for national defense, we were replenished with the armed forces. Now in socioeconomic construction, we will set up more organizations according to professions, requirements, and hobbies and we will not stop at the pure form of organization according to professions. We should give ideological and political indoctrination to members of these organizations. All organizations at the infrastructure are very important. We should try in such a way as to have trade unions and other mass organizations participate positively in efforts to achieve mastery at the infrastructure and make contributions to the wholesome development of grass-roots establishments. We should try in such a way as to combine satisfactorily the mode of organization by profession with the mode of organization by areas of operation, and should promote solidarity among various organizations.

Australia

Gration Urges Security Pact With Southeast Asia

BK2809085091 Melbourne Radio Australia in English 0800 GMT 28 Sep 91

[Text] The chief of the Australian defense force, General Peter Gration, today called for a security partnership with Southeast Asia. General Gration said the partnership with Indonesia would require the adjustment of outdated viewpoints in some parts of the Australian community.

Speaking at a security conference in Canberra, General Gration said he was pleased that Australia has improved relationship with the Indonesian Armed Forces, and the continuing defense links with Singapore and Malaysia.

General Gration said Australia's defense forces could be regarded as a regional asset which could be used to support friends and allies.

Protest Lodged With France on Grain Subsidies

BK0210095291 Melbourne Radio Australia in English 0500 GMT 2 Oct 91

[Text] An Australian parliamentary delegation has begun a week-long visit to Europe with a strong protest at the French Government over export subsidies. The delegation led by the trade negotiations minister, Neal Blewett, told French ministers and members of Parliament that European Community Grain subsidies will cost Australian farmers more than $550 million [currency not further specified] this year.

Dr. Blewett told a news conference after the meeting, the delegation was most disappointed at the French response. He said they failed to see the urgent problems facing Australia.

Dr. Blewett said France was the most significant country among the 12-nation EC in being slow to respond to reforms.

Early Relaxation of Sanctions on Pretoria Denied

BK0310061891 Melbourne Radio Australia in English 0500 GMT 3 Oct 91

[Text] Australia's foreign minister, Gareth Evans, says it is unlikely there will be any early relaxation of sanctions against South Africa. In a radio interview in Melbourne, Senator Evans said he expected the South African foreign minister, Pik Botha, would put a case to the Australian Government when he visits Australia next week to move faster on relaxing sanctions.

Senator Evans said the talks would be welcomed, with Australia wanting good relations with all parties in South Africa. However, he said the Commonwealth was basically firm on the conditions for the progressive easing of sanctions.

Fiji

Election Date, Right To Have Party Viewed

BK0210072291 Melbourne Radio Australia in English 0500 GMT 2 Oct 91

[Text] Fiji's prime minister, Ratu Sir Kamisese Mara, says the first general election under the country's new Constitution is likely to be held in February or March next year. Opening a two-day meeting of the Great Council of Chiefs in Suva, Ratu Mara also defended the role of traditional chiefs and country's political life and the formation of the Fijian Political Party.

He said if the National Federation Party could represent the voice of the Indian community, and the General Electors Party, the interests of other non-Fijians, then Fijians as owners of the land also have the right to be represented through a political party.

Ratu Mara called on the indigenous Fijians to remain united under the banner of the Fijian Party for the sake of the country and future generations.

New Zealand

Observance of Resolutions on Driftnetting Urged

BK3009072491 Melbourne Radio Australia in English 0500 GMT 30 Sep 91

[Text] New Zealand has urged all countries to observe United Nations resolutions calling for an end to driftnet fishing in the South Pacific. The appeal is contained in a report on the issues submitted by New Zealand to the UN secretary general.

The foreign minister, Don Mckinon, said the report would be included in a global report on driftnetting when debate on the issue by the UN General Assembly begins later this year.

The practice involving use of long nylon nets is regarded by opponents as a serious threat to the marine environment.

Mr. Mckinon said if driftnets were not abolished future generations would be (?the losers), especially in the South Pacific countries.

Papua New Guinea

Ex-Deputy Premier 'May' Face Criminal Charges

BK0310063491 Melbourne Radio Australia in English 0500 GMT 3 Oct 91

[Text] The politician at the center of Papua New Guinea's constitutional row may now face criminal charges. Deputy Prime Minister Ted Diro resigned on Tuesday after being found guilty on 81 corruption charges by a parliamentary judicial tribunal.

The governor general, Sir Serai Eri, also resigned rather than being sacked by the government for breaching his constitutional powers by trying to reinstate Mr. Diro, a close political ally.

Papua New Guinea's public prosecutor, (Kino Bona), is examining the tribunal report and says Mr. Diro should not think the crisis has passed.

Earlier, government sources said the acting governor general, Dennis Young, will go ahead with plans to formally dismiss Mr. Diro despite his resignation.